DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1987

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

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PART 6

Page

Testimony of Public Witnesses:
  - **Institute of Museum Sciences** 1
  - **National Endowment for the Arts** 41
  - **National Endowment for the Humanities** 119

Testimony of Members of Congress 217

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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1987

WEDNESDAY, MARCH 19, 1986.

INSTITUTE FOR MUSEUM SERVICES

WITNESSES

WILLIAM B. MACOMBER, PRESIDENT, METROPOLITAN MUSEUM OF ART

CRAWFORD LINCOLN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, OLD STURBRIDGE VILLAGE

ELAINE HEUMANN GURIAN, ASSOCIATE DIRECTOR, CHILDREN'S MUSEUM IN BOSTON

Mr. YATES. Mr. Reporter, show the hearing coming to order.

This is the hearing on three of the budgets that this committee reviews, the budgets for the Institute for Museum Services, the National Endowment for the Arts, and the National Endowment for the Humanities. We will be hearing from outside witnesses today testifying, I take it, in support of the appropriations for those agencies.

I am told that Mr. Macdonald, who was to be a member of the first panel, speaking on museums, cannot appear. I am sorry for that, because we would have liked to have heard him. But appearing on the panel, in the absence of Mr. Macdonald, is Mr. William Macomber, our old friend, President of the Metropolitan Museum of Art; Mr. Crawford Lincoln, President and Chief Executive Officer of Old Sturbridge Village; and Ms. Elaine Heumann Gurian, Associate Director of the Children's Museum in Boston.

We will be glad to hear you. Mr. Macdonald's statement, Mr. Macomber's statement, Mr. Lincoln's statement and Ms. Gurian's statement may go into the record at this time.

[The statements of Robert R. Macdonald follows:]

American
Association
of
Museums

Testimony of the

American Association of Museums

presented by

Robert R. Macdonald

President, American Association of Museums

Director, Museum of the City of New York

before the

Subcommittee on Interior and Related Agencies

Committee on Appropriations

United States House of Representatives

March 19, 1986

1055 Thomas Jefferson Street
Northwest
Washington DC
20007

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(202) 338-5300

Mr. Chairman and members of the committee, I am Bob Macdonald, Director of the Museum of the City of New York and President of the American Association of Museums. I am grateful for the opportunity to testify in support of FY 1987 appropriations for the Institute of Museum Services, the National Endowment for the Arts and the National Endowment for the Humanities.

I want to urge this committee and Congress to be thoughtful and fair in considering the budgets for NEA and NEH and to reject the Administration's request to eliminate funding for the Institute of Museum Services.

In three years we will be celebrating the Bicentennial of the Constitution. We all learned as school children the Preamble to this document that has served us so well over the past two hundred years. The Preamble tells us that our forefathers had six goals for the new government: to form a more perfect union, to establish justice, to insure domestic tranquility, to provide for the common defense, to promote the general welfare, and to secure the blessings of liberty for themselves and their posterity.

Mr. Chairman, the witnesses who will address this Committee today will speak to this government's responsibility to meet three of the goals found in the Preamble to the Constitution: to form a more perfect union, to provide for the general welfare, and to secure liberty.

The union of the American people is made possible by the glue of a common identity that has grown out of the American experience. The understanding and appreciation of our common and pluralistic cultural heritage is the most important contribution made by the nation's museums. I think we all can agree that the general welfare of the American people means more than adequate food, shelter and clothing, and the liberty includes the freedom and opportunity to enjoy the works of God and man. The union, general welfare and liberty of the American people depends largely on the community's civilizing sense of self. Today, you will hear how individuals and institutions have sought to provide for the intellectual and spiritual welfare of their fellow citizens. You will hear how these efforts have strengthened the union, and liberty of Americans and of how these contributions to the common good would not have been possible without the financial support of the federal government.

We all know that the federal budget is out of balance, and that steps must be taken to correct this dangerous condition. But do we also appreciate that the comparatively paltry sums the federal government appropriates to support museums and cultural activities is evidence that our priorities are also out of balance? I am not going to compare the appropriations for the Endowments and the Institute of Museum Services to the cost of a missile or a bridge on an interstate highway. Such an exercise, while shocking, usually leads nowhere. It is more profitable to point out to those who believe that the federal government should not be in the "culture business" at all, that what the business is all about is the preservation and presentation of values; the intellectual, aesthetic, historic, and spiritual values that are the true strength of the American people.

Today, colleagues on this panel will speak in detail about how the Institute of Museum Services and the Endowments have strengthened their individual institutions. For the few minutes, I would like to present an overview of how these agencies benefit the museums' ability to serve the American people.

IMS grants for general operating expenses are particularly crucial to our field. Museum collections must be kept secure, their environments carefully controlled, and their buildings properly maintained. IMS support for institutions as diverse as the San Diego Zoo, the Otter Tail Historical Society in Fergus Falls, Minnesota, and Salt Lake City's Hansen Planetarium enable museums to meet their most basic needs and to keep their doors open to the public, helping to create that sense of community I spoke of before. Museums are lively gathering places filled with imaginative exhibits and bustling with visitors. There are lectures, workshops, live performances, and "hands-on" activities in addition to the collections always on display. And the popularity of all kinds of museums is evident. One hundred million people visited zoos last year and another 30 million visited botanical gardens. The Philadelphia Museum of Art was forced to cut back the number of visitors to its Chagall exhibit last year from 1200 to 800 per hour to reduce overcrowding. And already 750,000 visitors have viewed Treasures Houses of Great Britain at the National Gallery. Far from being places to spend a rainy afternoon, museums are among the most popular institutions in any town or city.

There is another sometimes overlooked contribution museums make toward creating a sense of community. They preserve and interpret the cultural values and achievements of America's diverse ethnic, religious and geographic population. By simply existing, often with IMS support, institutions like the Mitchell Prehistoric Indian village in South Dakota, the National Museum of American Jewish History, and Iowa's Vesterheim Norwegian-American Museum enable us to appreciate the pluralistic nature of American society. Grants from the Endowments help museums to interpret this diversity, thereby increasing understanding of our national community. The Humanities Endowment, for instance, last year supported a critically acclaimed exhibition at the Studio Museum of Harlem focusing on works by five black American artists active during the "Harlem Renaissance" of 1919 to 1929. Similarly, the Arts Endowment is supporting a series of exhibitions in Colorado Springs drawn from the Taylor Museum's collections of Native American, Spanish Colonial, and Hispanic art. Another NEA grant to the Japanese-American Cultural Center in Los Angeles will support an exhibition by Japanese-American photographers who worked in the 1920's and 30's.

Museums also add to the general welfare by serving as conservators of our cultural patrimony, as guardians of our traditions. Their collections represent the whole diversity of America's cultural, scientific and natural heritage. The collecting and preserving of these objects is the center of the museum domain; it is an effort to save our history, our natural surroundings, our technological and creative endeavors. IMS and Endowment grants support museums in these important conservation efforts. With the help of IMS conservation grants, the Hawaii Maritime Center is installing a system to protect a 107 year-old sailing ship against salt water corrosion, the Illinois State Museum is preserving historic photographs that document early archaeology in the eastern United States, and the University of Nebraska Arboretum is providing conservation of endangered plant species from the Northern Great Plains. A small IMS grant of $2,000 to the Walt Whitman Homestead Historic Site will conserve an original plaster sculpture, "The Young Whitman Singing," created twenty years ago by Alexander Calder. This unique project bonds two centuries of our national heritage by bringing together one of our great artists of the 19th-century with one of the most outstanding of the 20th-century. And funds from the National Endowment for the Arts are being used to preserve a collection of Turner watercolors at the Cincinatti Institute of Fine Art and to complete conservation of the entire collection of Mexican Colonial paintings at Iowa's Davenport Art Gallery.

Mr. Chairman, the President of the United States often quotes an "ordinary" citizen's letter to illustrate his point and I would like to do the same. Especially because this letter was written last year by Terry Pearson, the director of the McMinn County Living Heritage Museum in Athens, Tennessee to Senator James Sasser urging him to support funding for IMS which, as you know, the President himself opposed. Ms. Pearson wrote: "Just yesterday a young boy was touring this museum when he asked, 'Where do you get all this neat stuff?' And an elderly woman from Maryville was excited because we have a dress on display that is made of lace just like a blouse that she owns. Their lives may not have been changed because of our museum but they certainly were enriched. I get so excited when I start telling my two girls of 'how it was' when I was their age. I'm sure you know what I mean. It's about heritage. About how our country has come so far in a mere two centuries. What if all this was lost? What if our grandchildren and great-grandchildren never know what it was like when our nation was first started? How could they compare future growth in terms of how far they've come? Children have to see their past in order to understand it. Reading a dozen books on history would not accomplish what one trip to a good historical museum can do."

What Ms. Pearson's words illustrate is that museums are not just conservators of our heritage, but also its interpretors. Through their exhibitions, lectures and other educational projects, they promote understanding of the past and in such endeavors, IMS and the Endowments are partners. Consider these examples: A NEH grant to the Historical Society of Pennsylvania for an exhibition on the origin and adoption of the the Constitution; IMS general operating support for Colonial Williamsburg, the President Benjamin Harrison Home in Indianapolis and the Paul Revere House in Boston; Arts Endowment funding to develop a curriculum for use in a Norfolk school-museum collaboration which integrates the study of ancient civilizations with the Chryslar Museum's collection of art from ancient Egypt, Greece and Rome; NEH support awarded to the Mississippi Archives for a permanent exhibition interpreting the state's history form 1865 to 1890 and to the Boot Hill Museum for publications detailing the history of Dodge City and southwestern Kansas. As Ms. Pearson's letter asks: "What if all this was lost? What if our grandchildren and great-grandchildren never know...?"

Mr. Chairman, these examples illustrate the diversity of museums and projects supported by the Institute for Museum Services, NEH and NEA. The support of the federal government also speaks to the quality of our country's museums. The process of applying for assistance and the peer review of applications has fostered excellence in the museum community's service to the country. Government's support of excellence has benefited the general welfare far beyond the relatively small financial investment.

One only has to consider the Arts and Artifacts Indemnity Program and remember its negligable cost. In its ten-year history, only one claim for loss (in the amount of $100,000) has ever been submitted to Congress. No funds are requested this year. Yet consider the exhibitions it has underwritten in 1985 alone: the phenomenally successful "Treasure Houses of Great Britain" which is being viewed by 7000 people each day; "The New

Painting: Impressionism" which will travel from the National Gallery to the Fine Arts Museum of San Francisco later this year; "From Ebla to Damascus: The Art of Ancient Syria" which has been shown at the Walters Art Gallery in Baltimore, the Denver Museum of Natural History and the Natural History Museum of Los Angeles County; the "Renoir" exhibit at the Boston Museum of Fine Arts and "Marc Chagall" at the Philadelphia Museum of Art. In total, the Indemnity Program last year insured 2,418 objects valued at over $600 million and saved museums an aggregate of $1,914,684 in commercial insurance costs.

The examples I have just cited are among the most spectacular exhibitions in our field but IMS, NEA and NEH grants single out excellence in museums that are at least as impressive if less well known. There is the Currier Gallery of Art in Manchester, New Hampshire, which contains one of the finest collections in New England and which has received IMS general operating support as well as a conservation grant to clean a portrait by Tintoretto, one of the most important examples of the artist's work housed in an American museum; the Maxwell Museum of Anthropology in Albuquerque which has received NEH funding for a permanent exhibition exploring human cultural development; Oregon's Portland Center for the Visual Arts which has been awarded an Arts Endowment grant for an exhibition of recent works by contemporary artist Frank Stella, whose newer work has not, to date, been exhibited in the northwestern United States; the Winterthur Museum in Delaware which has received support from all three agencies and which houses one of the most magnificent collections of decorative arts in the world; the Adler Planetarium in Chicago which, with support from the Humanities Endowment, has produced a catalogue interpreting its collection of scientific instruments dating from the 12th-century through the 20th-century.

In urging the committee and Congress to support the maintenance of federal support for museums, I ask you to recall how museums have aided in your own search for community, excellence, and the liberating appreciation of self and the world in which we live. Government exists for more than collecting and dispensing money. You have an important responsibility to assure that this generation of Americans continues to strengthen their union, attest to their intellectual and spiritual welfare, and pass on to the next generation the blessings of liberty.

Mr. YATES. Who wants to tee off first? Mr. Macomber, the Metropolitan Museum, I think, is a little better known than the museums of the other two witnesses, so I think perhaps you can go first.

Mr. MACOMBER. They are very distinguished museums.

Mr. YATES. Of course, they are. I was speaking of size. Admittedly, yours is larger than theirs.

Mr. MACOMBER. Somewhat larger than others.

Mr. Chairman, in my prepared statement, I speak of the important support museums receive from the National Endowment of the Arts with respect to their collections, for their professional development, special exhibitions and greater utilization of their resources. In this brief introductory oral statement, I should like to emphasize the importance of Federal support to the Metropolitan in two key areas: the recognition of excellence and community access, excellence in terms of how NEA awards excellence, and community access in terms of how NEA provides the community access to the arts.

I just would like to give you some examples of what I am talking about, because these two——

Mr. YATES. Pull the microphone over so we can hear you.

Mr. MACOMBER. In the institutions, we see the various functions they perform. The two things I am going to tell you about this morning cut across all those functions and are very, very important.

Excellence, let me give you two examples. The Metropolitan Museum has a unique Painting Conservation Center, one of the most exciting places I have ever been in. It is a combination of artists, organic chemists; an extraordinary, very up-to-date installation. It honors us and encourages us in developing this that the NEA has given us grants to support that. That is, in effect, the Government saying "We agree with you, it is an extraordinary place and deserves support and recognition."

Mr. YATES. I thought IMS would do that. Does NEA do that as well?

Mr. MACOMBER. Yes. I will show you how. That is what makes community access so important. Through the funding we get, we can bring conservatories from across the country to participate in that center. They take those advanced skills back around the country, as an example, recognizing supporting actions and community outreach all at once. This is very, very important.

When we get into special exhibitions, I would like to cite a recent Balthus show. Balthus is——

Mr. YATES. I pronounced it Balthus, but that is all right.

Mr. MACOMBER. They will look——

Mr. YATES. B-a-l-t-h-u-s.

I didn't know you had Polish blood.

Mr. MACOMBER. It is a very important show. When we approached NEA to help us, they said, "Yes, we agree it is an important show." Now, we were having it, so we got sort of a laying on of hands from that.

Another thing happened. We weren't able to raise any money for that show until we got the NEA grant, and when we got the grant, we got another very good grant——

Mr. YATES. From an outside foundation?

Mr. MACOMBER. That is right.

Mr. YATES. Why did they wait so long?

Mr. MACOMBER. They were not so sure this was that important a show. They were not so sure. But once NEA said, "Yes, this is important"—put it another way. They enjoyed being in the company of NEA. It was a very practical plus for us. We were just about to open a Gothic and Renaissance art in a Nuremberg show. NEA is not a household word, but they know that is an important show to put on.

And then arts and artifacts—of course, you know that. They have to say they are going to grant that, that this show is of cultural importance to the United States, people putting it together are on the ball, they know what they are doing, and they are doing something that is important culturally in the United States. Again, you get endorsement of what you are doing.

But again we simply wouldn't be able to do these shows, so there is an outreach aspect, too. The Vatican show would not have happened. We would not have had the Vatican show without this program.

Mr. YATES. Let me ask you a question. Most of the people in this country take museums for granted. How important are museums to the country? The first thing friends of mine and I do when we get to New York is put the Met on our list of places that we have to go. What would New York be like if you didn't have the Met?

Mr. MACOMBER. What would the world be like without art museums?

Let me talk about art museums, what I know the most about. It is fascinating to me, having been in the diplomatic business for 25 years, where you deal with the negative side of the human race. It is a tough world out there. All of us, whatever line of work we are in, deal with some of the negative sides of human nature. It is an enormous balance, and it is a tremendously important balance for all of us to be able to go into places where we see evidence of the beautiful and creative side of life. It is a balance we all need. If we didn't have that kind of thing, life would be a lot tougher and less real, because this is a real side of human life. So I think we supply the ingredient that has an enormous plus to life for all of us.

Well, I could go on——

Mr. YATES. Fine. Your statement, of course, is in the record. I am trying to build up support for what I anticipate the action of the committee will be, sustaining the position that the Institute for Museum Services is an important organization. We, of course, know about the contributions that NEA and NEH make to the cultural life of the country.

IMS hasn't had the time period of the other two agencies, and its appropriation is modest by comparison to those. Yet I have a feeling the $21 million we do appropriate does, in great measure, help the museums make their contribution to the life of the country.

Mr. MACOMBER. Your feeling is absolutely correct, and I want to say a word about that.

The Institute of Museum Services works in two areas of critical importance. First of all, they give you operating support money, Mr. Chairman, that is the hardest money in the world to raise. And this is the one organization that specializes in helping in this critical way. They do it on a matching basis, and there is a double impact of what they do, and let me tell you, the big fellows—our budget processes are excruciating, and don't let anybody tell you the numbers they deal with aren't important. They go right to the bottom line, and they are extremely helpful in keeping us going forward.

They have also taken up an interest in the conservation area. I think I may have mentioned this to you——

Mr. YATES. We insisted on that. We gave them a special appropriation for conservation because we think it is important to preserve the artifacts for the generations to come.

Mr. MACOMBER. The equipment is sophisticated now and so expensive, we have a photomicroscope now as a result of that program we wouldn't have had before. It is doing extraordinary things. So this organization is very important, and I am very sad the administration is recommending its termination, and I hope that will not happen because it is so important.

On that conservation point, I would like to emphasize something. You refer to the size of the Met, but if a great catastrophe happened and we could only have three employees, down to three, it wouldn't be a President, Director, or committee, it would be two guards and a conservator because the fundamental problem of an art institution is to guard and preserve the collection. So IMS comes right to the heart.

Mr. YATES. Your corporations don't make contributions for that purpose, do they? It is understandable, because corporations like IBM, Exxon or Philip Morris are interested in projecting the best image it can of the corporate purpose, and the corporate purpose is better served by sponsoring a show of the impressionists or the treasure houses of Britain rather than buying an air conditioner or building up the walls of a museum or something of that sort. Isn't that correct?

Mr. MACOMBER. Yes. It is hard to get a Jones Memorial cleaning fund. Yes, that is right.

Let me say another word about corporations. It is easier to get corporate money with a NEH grant. But you are quite right, operating money is the hardest to raise.

That completes my oral statement.

Mr. YATES. Thank you very much. We appreciate very much your contribution.

Mr. MACOMBER. Can I just say one additional thing? Excuse me.

Mr. YATES. Sure. The Met is entitled to that.

Mr. MACOMBER. I think all of us in our line of work are aware of the seriousness of the budget problems facing our country, and we don't think anybody should not be part of the solution. Mr. Chairman, I would hope that if there are cuts, that they be fair and be fair across the board.

[The statement of William B. Macomber follows:]

American
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Testimony

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American Association of Museums

presented by

William B. Macomber

President

Metropolitan Museum of Art

before the

Subcommittee on Interior and Related Agencies

Committee on Appropriations

United States House of Representatives

March 19, 1986

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Mr. Chairman and members of the Committee:

I appreciate the oppportunity you have given me and my museum colleagues to testify today concerning the importance of federal support for the arts and humanities.

Although my testimony today will concentrate on support museums receive from the National Endowment for the Arts and the important role it has played in the programs at the Metropolitan, I would like to take a moment to talk both about the Institute of Museum Services and the National Endowment for the Humanities.

It is indeed regretable that once again the Administration is seeking to eliminate funding for the IMS, this small but very important agency. IMS provides crucial general operating support to museums. General operating support grants help to focus attention on the need for this type of basic support and the necessity of channeling private dollars into this area. Because IMS grants must be matched one-to-one, the $75,000 grant which the Met received last year generated an equal amount in non-Federal contributions in support of our daily operations costs. IMS conservation grant support is also extremely important at a time when the full extent of conservation needs in our nation's museums are finally beginning to be realized. Two years ago the Metropolitan received

a conservation project support grant of $25,000 and was able to purchase a

Zeiss Photomicroscope III, allowing us to undertake a long overdue and critically important study of biological agents in the deterioration of inorganic materials found in works of art. (This committee can take a large portion of the credit for this realization and for increased federal funding for conservation efforts.)

The National Endowment for the Humanities also provides support to museums through its Museums and Historical Organizations program. Grants from the Humanities Endowment have helped to bring the humanities to the general public through support for exhibitions and other museum programs. The Metropolitan has received significant support in the area of special exhibitions from this agency, and in each case this support helped us secure remaining funding from private sources. The Challenge grant program at NEH has also provided museums with an important means for a secure financial future.

It is, however, the support museums receive from the National Endowment for the Arts which I would like to highlight today. The museum program at NEA supports a wide variety of grants to museums including: 1) care of collections; 2) professional development; 3) special exhibitions; 4) special projects; 5) utilization of museum resources.

NEA's funding category for care of collections supports conservation and collection maintenance projects. This program acknowledges the integral nature of collection maintenance and care, as well as the conservation of collections, in museum operations. The Metropolitan has received several grants to sponsor training for interns in our paintings conservation program. Our program is unique in the field, and support from NEA enables conservators from across the country to come to us and to study this method of conservation. The Met also received a collection maintenance grant to revamp the temperature and humidity control system in our musical instruments galleries. From prehistory to the mid 1970s, from urban centers to the remote habitations, this assemblage reflects a credible but fragile range of achievement. This type of support will insure that this collection will be here for future generations to enjoy.

NEA assists professional development in the museum field through fellowships for museum professionals and museum internships. Training of museum professionals is crucial to the continued health of the field. The Metropolitan recently received a grant to support an internship for a well-qualified, disabled person to learn about how a museum functions and to develop career and professional experience in the museum field. The intern chosen worked in the department of Far Eastern Art, was fluent in Chinese and was a tremendous help cataloguing and researching objects in the collection. The Metropolitan and the NEA were able to provide this person with a most valuable opportunity.

Support from NEA for special exhibitions is seen as one of the most effective ways to provide broad public access to the best of America's cultural life. Through these special exhibitions, the museum's role in the community as an educational institution is enhanced. Such exhibits also help to bring much needed local, state and private support. NEA supported a special exhibition grant at the Met for an exhibition of works by Balthus, a contemporary French artist, thought by many to be Europe's foremost living representational painter. This was a retrospective of his work and is unique in that most of his work is still held in private collections. The public had access to a great exhibition of works that would never be available for view otherwise. Moreover, NEA's grant was particularly important in allowing us to raise private funds to support the exhibition. NEA has also supported a special exhibition on Gothic and Renaissance Art in Nuremburg.

Under the category of utilization of museum resources, the Metropolitan has received a grant to develop the American Wing Study Center. When complete, this will be an open storage area for the objects from the American Wing collection--the largest and most comprehensive in the world--that are not currently on display. These objects will be arranged chronologically by category and displayed (in their storage area). The public will be allowed to view the objects, and eventually all the inventory will be listed on a computer system from which the public can access and receive a written description and explanation of the object. This will provide the public and scholars with important access to and comparative material on the many objects in our collection that cannot be displayed in our regular exhibition area. We now have raised substantial funds in support of the effort, and it all began with a planning grant from NEA.

Another program at the Arts Endowment which has had great value to American museums is the Arts and Artifacts Indemnity program. This important program has insured international loans of objects for exhibitions with a minimal outlay of federal funds. The Indemnity program has encouraged foreign governments to entrust us with their precious cultural heritage which would not have otherwise travelled here. The Metropolitan has received support from this program for almost all of its international exhibits, including, for example, the Vatican exhibit, the Great Bronze Age of China exhibit, and our present exhibit on the Treasures of Liechtenstein. Insuring such exhibits without the help of the Arts and Artifacts Indemnity program would be out of the financial reach of most museums. The Indemnity program has allowed millions of Americans to enjoy art from around the world which they would not otherwise have seen.

Challenge grants at NEA are an important source of financial stability for museums. At the Metropolitan, we received a $1,000,000 challenge grant in fiscal year 1985. It was made in connection with our $150,000,000 endowment drive, and was of critical help in raising the last and most difficult $40 million of this fundraising effort. All the literature sent out to solicit private support focused on the challenge grant from NEA. It was a vital stimulant in helping secure smaller gifts that collectively allowed us to achieve our goal.

I could go on and on with examples of the many areas where support from NEA over the years has been important to the Metropolitan. Any time we receive a grant from NEA, it is a valuable acknowledgement of the excellence of the programs at the museum. Perhaps the most important aspect of NEA funding is the fact that it helps provide the public with access to art and programs that very often would not be available without NEA support. This is true not just through its support of exhibitions, but through all its grant programs. The Metropolitan Museum of Art has approximately 4.1 million visitors per year.

Although NEA money accounts for a relatively small part of the Metropolitan's operating costs, it is an integral, and much counted-upon source of support for our programs and operations. We understand very well the need for fiscal restraint in all aspects of federal funding. At the same time, under these difficult circumstances we urgently ask that these critically important agencies in the cultural life of our nation, IMS, NEA and NEH, be treated equitably in relation to other agencies.

Finally, Mr. Chairman, as I will retire from the Metropolitan Museum in June, and as this is likely to be the last opportunity I will have to appear before your committee, I would like to add this personal word. Cultural leaders throughout our country are well aware of the important role that you and your committee have shown in assuring the nation of a continued healthy cultural life. We sincerely appreciate all of your effort and concern. You have placed us much in your debt.

Mr. YATES. We hope that is true.

Okay. We take the woman's side next. Ms. Gurian.

Ms. GURIAN. I am delighted that you have called on me, Mr. Chairman, because it is my pleasant task to speak on behalf of IMS, and I would like to do that. I would like to begin by reading you a quote from one of the MAP respondents, and it said, "I was recently invited to address the annual meeting of the Friends of the Zoo where I was delighted to find they had pretty much adopted the suggestions that were made when I made a MAP visit to them. I can't imagine any other Federal program that got more bang for the buck than this one did."

Now, this is not my quote, I have in front of me the quotes from the MAP assessments that were done, and as you know, MAP is a program that is funded by IMS. I would like to speak on behalf of my institution and on behalf of museums.

Thank you for letting me speak in support of the Institute of Museum Services. I am submitting written testimony that I hope reflects the importance of IMS to the whole museum community and it cites many examples of the profound effect IMS had throughout the country. IMS funds museums of all sizes in all locations and from all disciplines, including botanical gardens, zoos and aquaria.

In your own state, Mr. Chairman, they fund the field museum at the largest amount that can be funded, which is $75,000, and that is not surprising. But they also fund the Iron Oaks Environmental Center at $5,680, and that amount of contribution to the Iron Oaks Environmental Center, I am certain, has more impact or every bit as much impact as the $75,000.

In my oral testimony, I would like to speak about the things I know most directly, and so let me introduce myself and my institution. I am, as you know, Elaine Gurian. I am the Associate Director of the Children's Museum of Boston. I have been a MAP assessor on three different occasions and staff members have participated in six more MAP assessments. I have been a reader for IMS in the peer review system twice, once for large children's museums and once for small children's museums.

The Boston Children's Museum has been awarded six of seven possible IMS grants. It has received one of the 256 conservation grants this year, and our written proposals have been shared by the IMS staff with other applicants as examples of well-written documents. You are looking at an experienced and satisfied customer. The Children's Museum is a 75-year-old institution which has a budget of $3.5 million and a staff of about 90. It has an annual attendance of about 480,000 people, of whom surprisingly 45 percent are adults. The other programmatic arm of the museum and resource center, in addition to publishing other enrichment programs, works in 12 separate low-income communities and works individually with over 50 separate agencies.

Eighty percent of our budget is earned, and we have had a small surplus for 13 of the past 15 years. This introduction serves to position us as a relatively old, relatively large and financially healthy institution. Nevertheless, Mr. Chairman, when the budget time comes around, there is always more to do than the budget will allow and more dreams disappointed than I care to remember. It is at that time that general operating support of IMS appears as the most welcome of financial angles. For everyone knows that operating support, as Mr. Macomber said, is the hardest to raise, and often a healthy and successful museum, such as ours, is the glamorous issue that commands restricted grants, and those go forward, while the essential issues get cut out once more from the budget.

In the past five years, IMS has made the following permanent changes in our museum possible. In 1981, we reorganized our financial practices and hired a business manager. IMS supported his first year's salary and assisted in this reorganization. The business manager is still with us, and our business office works just fine.

In 1983, we moved our museum to our new location, we closed the museum at the former location for only three months, in order to pack and relocate. Nevertheless, we would have been without three months of revenue from admissions income, and that would have been a critical loss for us in which we would have to lay off staff. IMS has made up the difference which allowed the staff to remain on board and allowed them to pack and paint and haul and move all the stuff to the new museum.

In 1984, after we had moved, IMS allowed us to computerize throughout the building so that we could monitor climate control, centrally locate our security systems and internally computerize our financial system. Digital Equipment had been a generous donator of our hardware, but without IMS support, the staff costs might not have been found and the equipment would have remained in boxes.

In 1985, IMS supported the staff time to unpack our collections and make them accessible once more to our curators for use within the exhibitions and study. While we had moved two years earlier, we could not afford the extra staff time our 50,000 natural history specimens and our 70,000 cultural artifacts took to unpack, so we had to do without them for two years. They now remain unpacked and reach our exhibition spaces augmenting all our exhibits.

In 1986, when the other Federal funding sources were under siege and a once promising source of restricted program funding was drying up for us, IMS provided the funds to mount the changing exhibition program. Since 45 percent of our annual revenue comes from admissions, and yet we know that without changing exhibitions, our attendance would begin to dwindle and we would be in perilous financial shape, in that year we not only changed exhibits but had the chance to explore new sources of exhibit funding so we would not be so dependent on Federal grants again.

Mr. YATES. Do you charge admissions?

Ms. GURIAN. Yes, we do. We charge $3.50 for children and $4.50 for adults, but 50 percent of the 450,000 people come to the museum either free or assisted under line items from the state or by membership.

In 1987, this year, we ended our second capital campaign and assumed the mortgage of $80,000 into our budget for the first time. This big lump felt like a snake eating a frog and needed some digestion time. IMS, in making up the missing new revenue allowed us to assume such a large amount in one year, and we are well on the way to developing expanded sources of ongoing earned revenue during that time and will better be able to eat the frog without help next year.

These examples——

Mr. **Yates**. I've heard of frog legs.

Ms. **Gurian**. You have never eaten more damaged frogs. These examples make it clear, I hope, that IMS funding for the Children's Museum makes it possible for us to keep our doors open, keep people employed, and for the Institute to improve its offering and allow us time to protect ourselves. Every year, as we write the proposal, we are grateful to the staff of IMS for being so helpful and for the process that allows us to compete fairly within our own specialty, which is the large Children's Museums and to be judged by our own colleagues.

The form itself acts as a check list of good museum practices so that if we cannot answer the questions posed to our own satisfaction, we work on correcting those issues.

Mr. Chairman, we thank you and your committee for providing 600 museums with about $21 million, and while all dollars help museums stay healthier in this fragile environment, IMS alone understands that unglamorous money that saves our collection with conservation grants allows us to improve ourselves with the MAP grants and assists us in operating with a GOS grant, which serves as the very core of our survival.

[The statement of Elaine Heumann Gurian follows:]

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Statement of

Elaine Heumann Gurian
Director, Exhibit Center
The Boston Children's Museum

On behalf of
The American Association of Museums

To the
House Appropriations Subcommittee
on
The Interior and Related Agencies
of the
United States House of Representatives

March 19, 1986

Written by
Elaine Heumann Gurian
Anne Dobbs Tribble

It is a great honor to present this testimony before you today. I doubt if there is anyone actively involved in the cultural community in this country who is not aware of the work done by this committee to increase the availability of the arts, sciences and culture in the United States. Nor, I suspect, is there anyone in the museum community who does not know, admire and deeply appreciate the stalwart efforts of this committee to preserve the Institute of Museum Services in the face of the administration's consistent efforts to eliminate the agency and the work it is doing to help museums share the nation's patrimony with its citizens.

I am also pleased to represent -- as best I may -- the more than 6,000 museums in the country on behalf of the Institute of Museum Services, and at the request of the American Association of Museums.

Museums in the United States are to be found in every corner of the country. They preserve, protect, research, and interpret almost every aspect of our lives -- our history, our cultural diversity, our environment, technology, and our popular society.

Perhaps surprisingly, American museums are visited by half a billion citizens every year. The National Air and Space Museum at the Smithsonian serves more than 10 million visitors -- rivaling Disney World in attendance. No longer just bastions of the urban elite, museums exist all over the country, responding to the needs of people from all regions, all cultures, and all backgrounds. And the Institute of Museum Serivces is helping the best of them reach out into their communities from Kodiak, Alaska to Cheyenne, Wyoming, from this capitol to Honolulu.

As the nation's economy shifts to a technological and service base, leisure time is increasing, and flexible work hours are on the rise. At the same time, family and cultural traditions are being disrupted. As a result, Americans are seeking out public gathering places: places to congregate during leisure time as the work week shrinks; places where they -- and we -- may engage in their -- and our -- own learning and enjoyment; places where those disrupted traditions, celebrations, holidays and community events can be re-established. Example:

> At the Boston Children's Museum, Northeast Native Americans celebrate Pow Wow each spring. Museum staff work with members of the local Japanese and Japanese-American community to host important traditional festivals such as New Year's and Bon Odori. February is devoted to celebrating Black History Month. These events are also open to the general public, allowing community members to hand down cultural traditions to their children while broadening the experiences and understanding of other visitors.

Museums all over the United States are meeting similar needs.

While the Institute of Museum Services is my main focus today, to understand its importance we must put it into perspective with other federal agencies funding museums.

The National Endowments for the Arts, the National Endowment for the Humanities, the National Museum Act and the National Science Foundation all fund museums. These programs have made wonderful things possible. They support special projects, quite often of national or regional significance. Example:

> The Boston Children's Museum has, over the past several years, received two major grants from the National Science Foundation totalling $550,000. As a result of these two grants, we will be able to develop and travel seven interactive science exhibits geared specifically toward children, their families and teachers. These exhibits will support, in concrete ways, the abstract scientific principles introduced in classrooms. Estimates are that 28 million children and adults will gain direct experience with basic scientific principles in intriguing encounters through these two projects alone. All this at a cost of about 2 cents per person.

As wonderful and important as examples such as that are, it also serves to highlight the difference between those agencies and the Institute — as well as the needs they meet. Project funding is important and serves broad audiences with exciting programs. The results are tangible and appealing to co-funders, stimulating increased giving within the private sector. But they cannot succeed unless the museums receiving them are built on a strong, stable operating base. Without caring for the collections, paying the light bills and opening the doors to the public, projects funded by the Endowments, NSF and others could not happen.

The Institute of Museum Services is the only agency providing general operating funds to museums. There is no other source within the government for these funds which are the very base and core of museums. Why should museums receive operating support from the government? Because museums are unique institutions in our society. Museums are the repositories of our patrimony. We must have a place to safely store and care for our national treasures; to research the objects; to display and interpret them for our citizens. Museums require physical plants of a complex character that blends the needs of today's visitors with the preservation of objects for our future generations.

Because of this, the Institute of Museum Services plays a small but critical role. The National Science Board's report on Educating Americans for the 21st Century is only one of the many recent studies which suggests that direct interaction with tangible objects, experimentation, and the blending of concrete encounters with more abstract concepts significantly enhances learning. Museums can provide that direct access and experience in ways no other type of institution can achieve.

Museums are improving daily in their ability to generate earned income and manage along the best business principles. IMS grants are a small, critical part of the entire fabric of museum support. Example:

> Last year's IMS grant to the Boston Children's Museum represented 2.5% of the total operating budget — of which 80% is comprised of earned income. The IMS grant represented 12.5% of the remaining funds which must be raised to balance the budget. The other 7/8ths came from individuals, corporations, foundations and local agencies — each bearing a much larger percentage of that total than IMS. Our 700,000 users received services costing us an average of $4.29 per person. IMS contributed 11 cents per person.

But because IMS has been so well-conceived and organized, their grants serve as a good housekeeping seal of approval which stimulates other giving. In the case of smaller museums and/or those in communities with fewer resources than Boston, the role and importance of IMS can be even more critical. Examples:

> A grant of $29,500 to the Scranton Anthracite Museum made it possible for this institution to add two new staff: a volunteer coordinator and an education officer. In addition, the Anthracite Museum was able to mount an exhibit titled "Gears and Wheels" about the region's industry. As a result, for the first time ever, school childen are able to visit the museum in class groups, learning more about their own local history. At the same time, the addition of a volunteer coordinator shows a farsighted management concerned with operating in the most economical fashion possible still consistent with quality of programming.
>
> The Canton Art Institute was able to celebrate its 50th anniversary with significant outreach to Ohioans in ways that were enhanced by a $37,000 grant from IMS. That operating support allowed the Institute to mount an exhibit of Jamie Wyeth — the first showing of his work in Ohio. As part of the exhibit, the Institute produced an award-winning catalogue. In addition, the IMS grant made it possible for the Canton Art Institute to initiate an annual ceramic invitational exhibition — another first.

Not only does IMS make services like these possible, but because it is operating support it helps ensure the quality of both the programs for the general public as well as the quality and stability of the overall institutional operation. For $21 Million -- a few thousand per museum receiving a grant -- the IMS helps about 600 museums throughout the country become more stable and provide better services to their constituents. Example

> Our first IMS operating grant allowed the Children's Museum to recover some of the the earned income lost during the 10-week period we closed to move to the heart of the city, while another GOS grant let us unpack the collections after moving. Yet another IMS operating grant made it possible to improve all facets of our computer operations. With in-kind equipment contributions from Digital Equipment Corporation and funds from IMS, we were able to significantly upgrade computer applications that ran security and climate control systems, automated the business office, improved the recordkeeping and processing in the development office and provided state of the art experiences for our visitors.

The thoughtful organization of IMS and the carefully written guidelines not only assure that quality is maintained, but in fact help applicants perform an insitutional annual review and evaluation. For museums of all types and sizes, this is invaluable as a planning tool. Example:

> A completed IMS application is used as one of the introductory pieces of literature for new employees at the Boston Children's Museum. It served as a base from which to conduct long-range planning. And we use it in response to the overwhelming number of requests for technical assistance we receive from the field.

The peer review of applications further assures that only the best of the nation's institutions -- large or small, regardless of discipline or geographic location — receive operating support. Example:

Metropolitan Museum of Art, New York	$75,000
Hockaday Art Center, Kalispel, Montana	14,500
Audubon Park & Zoological Garden, New Orleans	75,000
Nag's Head Woods Ecological Preserve, Kill Devil Hills, North Carolina	8,681
Pacific Science Center, Seattle	75,000
Discovery Center for Science and Technology, Syracuse, New York	14,000

The reviewers are selected by experience, size of their own museum's budget, type of museum and geographical distribution. Therefore, applicants compete, albeit rigorously, within a reasonable range of comparison. Example:

> Small children's museums with budgets of less than $500,000 are reviewed with other children's museums of like size. Children's museums with larger budgets are reviewed by a different group of peers, and readers see applications only from museums within that discipline and budget range so that comparisons are really apples to apples.

The same standards of quality and evaluation that is so apparent in IMS' main support category (General Operating Support) are also the hallmarks of the Museum Assessment Program (MAP). MAP provides critical evaluative assessments to museums not yet up to the standards required for accreditation within the profession. Rather than turning our backs on museums whose operations and programs are not of quality, MAP helps all of us in the profession help our colleagues increase their ability to serve their constituents. A $600 MAP assessment produced a report that led one development and membership chairman to claim that the museum "...couldn't have gotten better directions if we had spent $50,000 on the report."

The small conservation program of IMS is also unique: it helps museums of all disciplines undertake small but critical conservation work. Unlike the Endowments, IMS supports up to 50 per cent of the conservation costs on plants, animals and other types of important collections that may not readily fall within the Endowments' more narrowly established definitions for objects acceptable for their programs.

Summary

For a national investment of less than 11 cents per citizen, the Institute of Museum Services is preserving the nation's history, culture, plant and animal life, introducing science to youngsters in concrete, dynamic ways before the math and science avoidance syndrome sets in, providing much-needed supplements to our formal educational system in schoolrooms, community centers and in museums. At the same time IMS encourages better financial accountability on the part of museums as well as attracts increased support from non-governmental sources.

I urge you to once again preserve this small but important agency that is in turn helping museums preserve our history, culture and science for tomorrow while making it available to all of us today.

Thank you.
3/19/85

Mr. YATES. Thank you very much. We appreciate your statement.

All right, Mr. Lincoln. Old Sturbridge Village, which I must confess I haven't heard of, is that your fault or mine?

Mr. LINCOLN. I think that is probably my fault, Mr. Chairman.

Mr. YATES. Tell us about Old Sturbridge Village and how it stays alive. What do you do, what do you show?

Mr. LINCOLN. First of all, Mr. Chairman, we are a living history museum. You may be familiar with others in other parts of the country. Perry, out in Indiana; Old World, Wisconsin, that shows life in Wisconsin at an earlier date. We treat the period 1790 to 1840 from a standpoint of the early New England community taking as the vantage point the year 1836 or thereabouts, and right now we are gearing up for a good bit of celebration in observance of the bicentennial of the Constitution. So my remarks this morning are directed to support of the appropriations for the National Endowment for the Humanities.

Their work has been of critical importance not only to colleges and libraries, educational institutions across the country of varying kinds, but most particularly for those museums that are involved in presentation of some aspect of our country's history.

As we approach the bicentennial observance of the Constitution, we are increasingly aware of this great document's pervasive influence on the national scene, in the halls of government courts of the land and daily lives of its citizens. The National Endowment for the Humanities has helped this country focus on the well springs of its greatness, the grants to a wide range of cultural institutions presenting programs on the Constitution for the benefit of their publics.

Tomorrow evening I will attend a premiere showing on Shay's Rebellion. Now Shay's Rebellion, the film, was shot in part at Old Sturbridge Village, not far from where the rebellion actually began, and this film was underwritten by funds from the Massachusetts Foundation for the Humanities and Public Policy and the National Endowment for Humanities, itself.

Mr. YATES. Who are you going to rebel?

Mr. LINCOLN. Shay's Rebellion was an uprising of western Massachusetts farmers protesting property seizures following the end of the Revolutionary War. You see, they came back and the Boston merchants were being hard pressed by their British predators, and they demanded coins from their clients they had worked with out in the country. And because the farmers were paid off in continental currency—you remember the adage "not worth the continental"—they rose up and marched on the courthouse. I was interested to learn that one of my forebear's brothers led the attack on the Wooster Courthouse.

Then there was a man also by the name of Lincoln that came with a group of troops from Boston, and at that point put down the rebellion and routed Daniel Shay, who fled ultimately to New York State. The important thing about all this, from the standpoint of the Constitution, when word of this reached General Washington, he was so concerned about the possibility of rebellion and what this could mean unless there was a strong central government that he said "Come on" to his colleagues, "let's get going and get this Constitution together."

And really Shay's Rebellion was the catalyst which caused the founding fathers to get to work, do the hard legislative slugging to come up with the document we revere so today. So the Endowment has funded a film on this that will have its premiere showing tomorrow evening in Springfield, Massachusetts.

I am sorry your colleague, Mr. Boland, is not present this morning, because I would like to express particular thanks to him and tell him what is going on as a result of the Endowment's activity in his home.

Mr. YATES. He is a strong supporter of the Endowment, and I am sure he would like to attend your showing, but I think tomorrow he is going to have to vote on the Contra aid bill.

Mr. LINCOLN. I think his presence is demanded here.

As far as Old Sturbridge Village is concerned, we are going to begin later this year and into next year a program with Endowment funding focusing on the Constitution and how it affected the lives of New Englanders living in the early 19th Century. One of the issues we will be looking at is the separation of church and state.

Back in the 1820s, under Massachusetts law, each town school committee had to have the town's official minister as an active member. Now, the separation of church and state didn't take place in Massachusetts until 1833. So with the help of the Endowment, we will be exploring this and other issues that date against the backdrop of the new American Nation and a relatively untested Constitution.

It is interesting to look back and see how that document stood against a lot of controversy in its early years.

Mr. YATES. It sounds fascinating.

Mr. LINCOLN. I think this is extremely important. Grants from the Endowment have made it possible for scores of nonprofit institutions to do a more effective job in transmitting our cultural heritage to new generations of Americans. And why is this important? Simply because a knowledge and understanding of history, together with an appreciation of man's past struggles and achievements, makes it possible for Americans to deal more constructively with the realities of today.

The Nation's museums are, in fact, stewards of its cultural patrimony. Just as the Smithsonian has created environments for living and enrichment and each of its magnificent buildings reaching millions each year, so museums across America contribute enormously to our national sense of self worth. Government does have a real stake in this.

Let me explain. NEH awards have always involved peer review for quality and excellence, picking up on Mr. Macomber's words, have been decisive factors in making awards. I served on a review panel in the past, and I know from first-hand experience how rigorously the museum applications were examined. I am sure Elaine could attest to that, too.

Those who won the awards clearly earned them because of their exceptional merit. But the real beneficiary of the NEH funding is not the distinguished roster of museums, libraries, colleges and universities to which grants have been given, but rather the American people whose lives have been enriched through their programs and activities.

For example, thanks to NEH funding, Old Sturbridge Village has been able to reach 100,000 school children each year from all over the Northeast with dynamic programs that bring them into close contact with the ideals and strengths exemplified by our forebears during those critical years following the end of the American Revolution. That period, 1790 to 1840, which the Village deals with, was a time when America was moving from a rural agrarian society to an increasingly urban industrial one and when, thanks to individuals' hard work, ingenuity and willingness to experiment, the free enterprise system took root in this country.

The community of museums funded by the Endowments, IMS and the National Science Foundation, is best compared to a garden, it provides nourishment in separation and delight for all who walk its paths. Despite its many strengths, it is basically a rather fragile thing which can wither and die if not properly cared for.

And I was interested to see Elaine used the word "fragile" or "fragility" in describing her institution. Those of us who work in the garden of museums are basically caretakers preserving the very best of our culture and heritage and constantly working to make our collection speak effectively to the needs and interests of today's audiences. The support you voted for NEH, NEA, IMS and the National Science Foundation has through these agencies provided the nutrients which have sustained the life and growth of America's museums in the face of adversities ranging from acid rain, and I am thinking of those without the words sculpture gardens and so on, to a host of uncertain economic conditions and a huge amount of local support has been stimulated in the process.

Mr. Macomber spoke about the value of an NEA grant in triggering other support, especially for projects that don't have quite the glitter some of the well known ones might have. We cannot leave our garden unattended now lest it become choked with weeds and perish.

Let me illustrate here. There was a NEH challenge grant several years ago that helped Old Sturbridge Village cut expenses. Back then we were operating with a six-figure annual deficit, and for the last six years we have been operating in the black. I think this was at the heart of the NEA challenge grant program, to help museums get back on their feet and through that stamp of approval, we were able to trigger a tremendous amount of local support and get our house in order. It would take more than a week of hearings to chronicle all the pluses around the land of NEH funding.

The humanities in America have been strengthened greatly by the work of NEH, and exemplary support to NEH by the Congress. To those who would say "So what" or "Why shouldn't a substantial cut be made in Federal monies", I would offer in reply the words of the Rockefeller Foundation report, the Commission on the Humanities, which was published in 1980. Let me quote this, if I may, Mr. Chairman.

"Through the humanities, we reflect on the fundamental question. What does it mean to be human? The humanities offer clues but never a complete answer. They reveal how people have tried to make moral, spiritual and intellectual sense in a world in which irrationality, despair, loneliness and death are as conspicuous as birth, friendship, hope and reason. We learn how individuals in societies define moral life and try to attain it, attempt to reconcile freedom and the responsibilities of citizenship and express themselves artistically.

"The humanities do not necessarily mean humaneness, nor do they always inspire the individual with what Cicero called incentives to noble action, but by awakening a sense of what it might be like to be someone else or to live at another time or culture, they tell us about ourselves, stretch our imagination and enrich our experience. They increase our distinctively human potential."

Mr. Chairman, where else can you make an investment like that in return for strengthening the American awareness?

Mr. YATES. I appreciate your contribution. I am going to have to vote. I will be right back.

[Recess.]

[The statement of Crawford Lincoln follows:]

American
Association
of
Museums

Testimony

of the

American Association of Museums

presented by

Crawford Lincoln

President

Old Sturbridge Village

before the

Subcommittee on Interior and Related Agencies

Committee on Appropriations

United States House of Representatives

March 19, 1986

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Testimony presented by Crawford Lincoln, President of Old Sturbridge Village before the House Appropriations Subcommittee on Interior and Related Agencies in behalf of the National Endowment for the Humanities

March 19, 1986

Mr. Chairman - members of the Committee,

As we approach the bicentennial observance of the Constitution of the United States, we are increasingly aware of this great document's pervasive influence on the national scene - in the halls of government, in the courts of the land, and in the daily lives of its citizens. The National Endowment for the Humanities has helped this country focus on the wellsprings of its greatness through grants to a wide range of cultural institutions presenting programs on the Constitution for the benefit of their publics. Tomorrow evening, I'll attend the premier showing of a film on Shays' Rebellion, shot in part at Old Sturbridge Village, with funds provided by the Mass. Foundation for the Humanities and Public Policy and the Endowment. Shays' Rebellion, an uprising of Western Massachusetts farmers protesting property seizures following the end of the Revolutionary War, served to spur the framers of the Constitution to complete the basic document which undergirds and safeguards American democracy. The film, entitled, in Jefferson's words, "A Little Rebellion Now and Then," will bring to diverse audiences a clearer understanding of the importance of the Constitution to the lives of all of us today.

Later this fall, Old Sturbridge Village, also with support from the National Endowment for the Humanities, will begin a series of public programs focusing on the Constitution as it affected the lives of New Englanders living in the early 19th century. One of the issues we'll be looking at is the separation of church and state. Back in the 1820s, under Massachusetts law, each town school committee had to have the town's minister as an active member. With the help of the Endowment, we'll be exploring this and other issues of that day against the backdrop of the new American nation and a relatively untested Constitution.

Grants from the Endowment have made it possible for scores of nonprofit institutions do a more effective job in transmitting our cultural heritage to new generations of Americans. Why is this important? Simply because a knowledge and understanding of history, together with an appreciation of man's past struggles and achievements, makes it possible for Americans to deal more constructively with the realities of today. The nation's museums are, in fact, stewards of its cultural patrimony. ~~Just as the Smithsonian has here in Washington, created environments for learning and~~

(MORE)

Just as the Smithsonian has, here in Washington, created environments for learning and enrichment in each of its magnificent buildings, reaching millions each year, so have museums across America contributed enormously to our national sense of self-worth. Government does have a real stake in all this.

Let me explain. NEH awards have always involved peer review where quality and excellence have been the decisive factors in making awards. I have served on an NEH challenge grant review panel in the past and I know from firsthand experience how rigorously the museum applications were examined. Those who won the awards clearly earned them because of their exceptional merit. But the real beneficiary of NEH funding is not the distinguished roster of museums, libraries, colleges, and universities to which grants have been given but rather the American people whose lives have been enriched through their activities and programs. For example, thanks to NEH funding, Old Sturbridge Village has been able to reach 100,000 schoolchildren each year from all over the Northeast with dynamic programs which bring them into close contact with the ideals and strengths exemplified by our forebears during those critical years following the end of the American Revolution. (more)

The period 1790 to 1840 which Old Sturbridge Village deals with was a time when America was moving from a rural agrarian society to an increasingly urban industrial one and, thanks to individuals' hard work, ingenuity, and willingness to experiment, the free-enterprise system took root.

The community of museums funded by the Endowments, the Institute for Museum Services, and the National Science Foundation, is best compared to a garden. It provides nourishment, inspiration, and delight for all who walk its paths. Despite its many strengths, it is basically a rather fragile thing which can wither and die if not properly cared for. Those of us who work in the garden of museums are basically caretakers preserving the very best of our culture and heritage and constantly working to make our collections speak effectively to the needs and interests of today's audiences. The support you have voted for NEH, NE , IMS, and NSF has, through these agencies, provided the nutrients which have sustained the life and growth of America's museums in face of adversities ranging from acid rain to a host of uncertain economic conditions. And a huge amount of local support has been stimulated in the process. We cannot leave our garden untended now lest it become choked with weeds and perish.

It was an NEH challenge grant, seven years ago, that helped Old Sturbridge Village cut expenses and increase earned and contributed income. A six-figure annual operating deficit was eliminated and we've been in the black ever since. It would take more than a week of hearings to chronicle all the pluses across the land of NEH funding. The humanities in America have been strengthened enormously as a result of the work of NEH and the exemplary support of NEH by the Congress. To those who could say, "so what?" or "why shouldn't a substantial cut be made in Federal monies allocated to the Endowments and IMS?" I would offer in reply words of the Report of the Commission on the Humanities, sponsored by the Rockefeller Foundation in 1980. "Through the humanities we reflect on the fundamental question: what does it mean to be human? The humanities offer clues but never a complete answer. They reveal how people have tried to make moral, spiritual, and intellectual sense of a world in which irrationality, despair, lonliness, and death are as conspicuous as birth, friendship, hope, and reason. We learn how individuals or societies define the moral life and try to attain it, attempt to reconcile freedom and the responsibilities of citizenship, and express themselves artistically. (more)

The humanities do not necessarily mean humaneness, nor do they always inspire the individual with what Cicero called 'incentives to noble action.' But by awakening a sense of what it might be like to be someone else or to live in another time or culture, they tell us about ourselves, stretch our imagination, and enrich our experience. They increase our distinctively human potential."

Mr. Chairman, Ladies and Gentlemen, where else can you make an investment with that kind of return in strengthening our country?

Thank you.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE ARTS

WITNESS

STERLING VAN WAGENEN, DIRECTOR OF ARTISTIC AFFAIRS, SUNDANCE INSTITUTE

Mr. **YATES**. Mr. Van Wagenen, do you want to come up? I appreciate your coming in. Pull the microphone to you so that your words become imperishable. They are going to be taken down here. Do you have a statement that may be made a part of the record? He has none. All right. Maybe we can lead the witness a little bit then.

Mr. **VAN WAGENEN**. I do have a statement, if I may.

Mr. **YATES**. You can furnish it for the record later if you want to.

The committee has been interested for a long time in the progress and development of the cinema, of motion pictures as an art form. I think this art form is basically American in its origin and development. Yet there is competition throughout the world today, is there not, for the kind of development that bespeaks this as an art form rather than as a pure money maker?

I am told that your organization, which is Sundance. Perhaps I should introduce you for the record. You are the Director of Artistic Affairs for Sundance Institute.

Mr. **VAN WAGENEN**. That is correct.

Mr. **YATES**. I am told Sundance Institute is moving strongly in the direction of developing the motion picture as an art form and that is why we are delighted to have you here this morning to tell us what you are trying to do at Sundance. With that introduction, we would be glad to hear from you.

Mr. **VAN WAGENEN**. Thank you.

First of all, I bring you warm greetings from Robert Redford, who is trying to survive the last week of filming in his new motion picture and regrets he can't be here today.

Your initial statement is quite accurate. The Sundance Institute was organized six years ago with the primary intent of finding ways of supporting very specifically American independent film. And by that, we mean those filmmakers who were working outside of the mainstream motion picture industry, and by mainstream we mean, for all intents and purposes, the Hollywood industry.

There was a very specific reason Mr. Redford took an interest in the independent film movement in this country, and you have already alluded to some of those reasons. There was a strong feeling, in terms of change, there was a greater possibility of having an impact on young filmmakers working out of their own regions across the country than there was on the mainstream Hollywood system, which is primarily, as you know, an industry, and often times only secondarily an art form.

Secondly, Mr. Redford also had a very strong interest in minorities and their relationship to the American film experience. Historically it has been very difficult for blacks, for hispanics, for Indians to tell their stories or expose aspects of their culture in the dramatic feature-length motion picture form, primarily because of certain commercial restrictions that exist in the Hollywood community.

I think you may be aware the average budget for a major motion picture is around $12 million. That suggests that the sources that fund those motion pictures are not likely to take risks, either in terms of content that might be seen as somewhat idiosyncratic or regional or special in nature, nor is it easy to take risks with new filmmakers with those kinds of dollars at stake.

And so what we saw, when the Sundance Institute began several years ago, was a fascinating movement in the late 1970s, with many young filmmakers around the country were going out and raising amounts of $100,000, $200,000, $500,000, $1 million to tell stories that were important to them in the context of their own cultures, their own regions and their own backgrounds. These filmmakers were raising money from a variety of appalling sources, from doctors, from dentists, from gynecologists, some were using their Master Cards and American Express cards to finance their films as long as the banks would continue to supply funds.

We felt very strongly there was very fertile ground here to be plowed and to be seeded in terms of the future of American film as an art form. We also found, talking to filmmakers from other countries, that a great many other national cinemas were infused with huge dollars from their own governments in reaction to the large Hollywood American film which has certainly been very popular all over the world.

By the same token, countries like Australia, certainly Japan, Canada, Great Britain, France had seen those films also as threats to their own culture. So we saw a tremendous opportunity to try and find a way; one, to identify those young independent filmmakers all over the country; and two, to try to find out how in the world they could be helped.

The Sundance Institute is involved really with two aspects of the filmmaking process. One is creative and the other is the business side of getting film made. If you could focus for a moment on the creative side. Because independent filmmakers come out of a documentary film background or have worked in television or make short films, they very often don't have the experience either working with actors, understanding script and structure that someone targeted for the Hollywood milieu has. So from that standpoint, we begin an effort to help independent filmmakers solve their creative problems.

Second, I have already alluded to the fact there is a lot of business problems, including raising money that independent filmmakers have. Those problems range along a line from financing to distributing their pictures. Seen from the public and press as uninteresting and mundane activities, yet without knowledge of how a film gets to audiences, often times an independent filmmaker will make a movie and make a series of mistakes and the film may never get distributed. So Sundance began, with the help of the National Endowment for the Arts, an effort to try to remedy that particular problem as well.

Almost as far back as the idea for Sundance began, we began having discussions with the Arts Endowment about the creation of a fund, in fact, a production assistance fund. I use the word "assistance" very deliberately because we saw the idea of a financing entity that would actually invest in independent features as being an incredible morass, at least at the beginning stages of our situation, and we came up with a different strategy, and we came to the Arts Endowment with a proposal, and they were absolutely the first people to sign on and say, "Yes, we think this is an idea that has merit, and we will put money into this to try and get it going."

The idea, if I may, ran something like this: If we could raise an initial amount of money, and we thought originally that would be around $1 million, we could use that money essentially as a leverage tackler to help a young filmmaker, to use a specific example, Cutoff, Louisiana, to try to find a variety of ways to get his family. If I may use a specific example, that might be helpful. We worked two years ago with a young man from Cutoff, Louisiana, a Harvard graduate who went back to his hometown and there wanted to make films about Cajun life. And it palls the imagination to try to sell a film on Cajun life to Paramount, Universal or 20th Century Fox, and yet he had made that effort in Hollywood and was roundly buffed across the board.

We then came across this young fellow who had written a feature screen play. He had done some short films he had distributed himself that were in the Cajun dialogue, by the way, which was another major commercial advantage he had, and we found the screen play to be very promising, very exciting, indeed.

We brought him into Sundance, helped him re-work the script extensively and helped him go out and raise $900,000. There were three strategies Sundance applied to this particular project. One was a loan to help him get the project started, provide him with travel money so he could meet with investors and talented New Yorkers to cast the movie. That loan was repayable on the commencement of principal photography and was repaid, I am happy to announce.

Second, we provided what is called a completion guarantee. It is like an insurance policy. If you are an investor and you put $50,000 into a film, presumably you would like to know at least the film will be finished, and you have some remote chance of getting your money back. Major Hollywood features get completion bonds, but the companies that give those bonds take a percentage of the budget in order to insure that the picture will be completed. You can see if you are making a motion picture for $20 million, your incentive as a completion bonder is much greater to bond that kind of picture than if the movie is $900,000.

Mr. YATES. I would think so.

Mr. VAN WAGENEN. We entered into a relationship with Lloyds of London, who in turn reinsures us, and part of the money which the Endowment contributed to this fund to get it started, in fact, goes as initial money to guarantee or to insure that this movie will be completed.

And then beyond that, the fund is used to support two staff members, one in New York and one in Los Angeles who do what we call networking. And being an elected representative, I am sure the term "networking" has a lot of meaning for you in terms of what has to happen in a grass roots campaign. We do very much the same thing with an independent filmmaker. We connect him or her with directors, with people in marketing and in film financing, with talent, with agents, with actors, with cinematographers and help that director put an entire package together.

In light of all that, the bottom line for Sundance Institute is we don't negotiate the picture or take a percentage of the money, which is why it is called "independent film". We are not a studio. Our effort is to try and maintain the artistic, as well as the financial, independence of those films across the board.

Mr. YATES. You operate, from what I gather from your description, in much the same way on not quite as grand a scale as Telefilm of Canada.

Mr. VAN WAGENEN. Yes, it is a similar concept in this country. In fact, it is the first time in the United States anything like this has been tried. As I indicated, other countries—and Canada is one of them—that have both government and some private funds to put into these kinds of organizations have taken the lead around the world to help this kind of filmmaker. The United States has been dragging its feet.

Mr. YATES. I don't know of any other organization in our country that does that. Are you aware of it?

Mr. VAN WAGENEN. I am not.

Mr. YATES. So you are the advance man for an organization like Telefilm and NEA is your partner in this undertaking?

Mr. VAN WAGENEN. Not only a partner, NEA was the first organization to see the potential of this kind of approach for American film. We are the first ones to sign a check to say "Let's get this thing started".

Mr. YATES. Telefilm owes money and loses money on shots. Have you lost money yet?

Mr. VAN WAGENEN. Over 15 films in the last four years we have assisted through our production assistance program, and by the way, the total of our fund is now $1.250 million, and as I indicated, the intent was this should be a revolving fund. Of that amount, we have lost in loans that were not repaid because the film projects fell apart——

Mr. YATES. That happens occasionally, doesn't it?

Mr. VAN WAGENEN. Indeed, it does. We have lost about $200,000 of a $1.250 million amount that we have raised over four years. So we think from that standpoint, the odds have been very good.

If you measure that loss of $200,000 against a total of $18.6 million in production capital that was raised as a direct result of our leveraging activities, the gains far outweigh the losses.

Mr. YATES. Do I understand the picture, "A Trip to Donegal", was made by Sundance?

Mr. VAN WAGENEN. "A Trip to Donegal"—which we are thrilled and delighted to say has two Academy Award nominations right now, so this is an exciting and intense time for us—was made through the help of this fund.

Mr. YATES. What other films were made through the Sundance procedure?

Mr. VAN WAGENEN. I was, in fact, coming back from Japan yesterday, I was catching up with the New York Times, which I got a week late, and I noticed there are three films playing in New York right now which were assisted by the production Sundance, two of which have gotten absolutely outstanding critical response and one of which has been panned mercilessly by critics, but 15 films over a period of four years have been assisted. "Trip to Donegal" is one, a picture called "Smooth Talk" is playing in New York right now, a picture called "Old Enough", which is made for $600,000 two years ago, was headed by the fund. A film called "El Norte", which had an Academy Award nomination for best screen play, was assisted by the fund. Another film released this summer called "Desert Bloom" with John Voight and Jo Beth Williams was assisted.

I alluded to the Cajun film, the Ballad of Gregorio Cortez. There are four firms right now in post production that will be released within the next year that have been beneficiaries.

Mr. YATES. That is very good. You also are expanding your activity, I understand, to arts other than the motion picture. Perhaps that is not the correct way to state it. You are including dance as part of your activity.

Mr. VAN WAGENEN. Mr. Redford has been interested for a long time in the relationship between the moving image, particularly film and video, and other art forms. So we over the next two or three years are exploring possibilities of expanding the Institute. He is very interested in exploring that relationship between the moving image and other art forms, including dance, theater and music, so those are areas we are tinkering with right now.

Mr. YATES. He went further than that. When I talked to him——

Mr. VAN WAGENEN. I am not responsible for anything he says.

Mr. YATES. Is he?

Mr. VAN WAGENEN. Occasionally he is.

Mr. YATES. I see. He said that he hoped some day perhaps to have an establishment comparable to Aspen.

Mr. VAN WAGENEN. Indeed he does.

Mr. YATES. Do you have the same ambition?

Mr. VAN WAGENEN. Yes. We hope that with the film as the center of that kind of effort, Sundance could be, and this is a terribly arrogant thing to say, and I hope I will be forgiven for it, we hope at some point in time Sundance will be a preeminent center for the artists to experiment across a range of disciplines with film and the moving image. We hope in that sense it will be a very exciting development over time.

Mr. YATES. It sounds very good. Is there anything else you want to tell us? We appreciate very much what you have said.

Mr. VAN WAGENEN. We are very appreciative of the help we have gotten from the Arts Endowment.

Mr. YATES. Thank you very much.

Did you have a question?

Mr. AUCOIN. No.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE ARTS

IMPORTANCE OF THE ARTS TO SOCIETY AND THE FEDERAL ROLE IN FURTHERING EXCELLENCE

WITNESSES

MEGAN FOLLOWS, ANNE OF GREEN GABLES

EDWARD M. BLOCK, SENIOR VICE PRESIDENT FOR PUBLIC RELATIONS, AMERICAN TELEPHONE AND TELEGRAPH

CAROLYN ADAMS, CO-DIRECTOR, HARLEM DANCE FOUNDATION

MICHAEL NEWMAN, CHAIRMAN, NORTH CAROLINA ARTS COUNCIL

LORIN HOLLANDER, CONCERT PIANIST AND CONDUCTOR

Mr. YATES. All right. The next panel is on the importance of arts to society and the Federal role in furthering excellence, and we are very pleased to have the star of Anne of Green Gables with us, Miss Megan Follows. She is accompanied by Mr. Edward Block, Senior Vice President for Public Relations of AT&T; Carolyn Adams, who is a Co-Director of the Harlem Dance Foundation; Michael Newman, Chairman of the North Carolina Arts Council; and Lorin Hollander, Concert Pianist.

The statement and biographies may go into the record at this point.

[The statement and biographies follow:]

American Arts Alliance

Testimony Submitted

By The

American Arts Alliance

in cooperation with

American Symphony Orchestra League

Association of Art Museum Directors

Dance/USA

OPERA America

Theatre Communications Group

To

The Subcommittee on Interior Appropriations

United States House of Representatives

March 19, 1986

Anne G. Murphy, Executive Director 424 C Street, N.E., Washington, D.C. 20002 Telephone (202) 544-3900

Mr. Chairman and members of the Subcommittee, the American Arts Alliance appreciates the opportunity to testify today on behalf of FY 1987 funding for the National Endowment for the Arts. The Alliance, an organization of over 350 nonprofit performing and exhibiting arts institutions, presents these remarks in cooperation with American Symphony Orchestra League; The Association of Art Museum Directors; Dance/USA; OPERA America; and Theatre Communications Group.

It is a pleasure to appear before a Subcommittee which has such an established record on federal support for the arts. Since 1981, this Subcommittee has worked to replace the Administration's arts budget requests with higher Endowment funding. The Alliance appreciates your efforts and looks to your wisdom in continuing support for the arts.

IMPORTANCE OF THE ENDOWMENT

The federal government has been a central player in our country's artistic renaissance. In founding the National Endowment for the Arts, the government made it clear that nurturing America's creative ability and cultural expression was a national priority. With only limited federal funding, the Endowment has moved toward fulfilling its mandate, as expressed in its 1965 authorizing legislation, to "help create and sustain not only a climate encouraging freedom of thought, imagination, and inquiry, but also the material conditions facilitating the release of this creative talent." The Endowment has done this by appointing the highest quality professionals as program directors and panel members and by developing mechanisms to support the growth of the arts, thus making the arts accessible to all Americans.

Cities and towns all over the country have gained a new vitality and energy through the growth of the arts in the past 20 years. By providing a place for people to share an enriching experience, be it an outdoor concert on a Saturday afternoon or a visit to a new exhibit, art heightens the quality of life in a community.

Since its inception in Providence, Rhode Island, for instance, Trinity Square Repertory Company has done much to draw people back to their community and to give them a sense of pride about their city. Similarly, the George Street Playhouse in New Brunswick, New Jersey, has become a cornerstone of a city-wide redevelopment program and an institution that makes its citizens culturally richer. In Portland, Maine, the Portland Museum of Art spawned a broad revitalization project with its move to an old section of the city. Refurbishment of an old hotel, installation of a city park, and construction of a performing arts center followed the new museum's construction, development of which generated an initial $28 million for the community, and a subsequent $2-3 million annually. In choosing to extend their hours on evenings when the museum is open late, even businesses located around the museum in the newly-rennovated Congress Square have recognized the museum's impact.

In Chicago, the Lyric Opera's rise to international acclaim has elevated Chicago's sense of pride and community; its world-renowned symphony has enhanced civic identity; the independent thinking and creative "Chicago theater" has surfaced as a showcase of Chicago's indigenous style; and the extensive museum community for many years has drawn praise from all over the country, as well as Chicago and the midwest. Chicago's arts have contributed significantly to the city's spirit -- the spirit that its citizens enjoy and that makes it one of America's most popular and well-liked places to live.

The Discipline Programs

The Endowment has achieved such success in enhancing the arts in cities all across America in large measure through the foresight and vision of its Discipline Programs. Money from these funds, while never providing more than 3-4 percent of a company's budget and requiring a 1:1 match of private dollars, is critical to the artistic integrity of performing and exhibiting institutions. For many, the Endowment grant is the largest single contribution to the company's annual budget. In addition, Program funds are perceived by the community as an endorsement of the institution's artistic policy and a recognition by peers of the company's contribution to the art form. They are also used as leadership gifts in attracting other contributors to give on an annual basis. The other funding categories in the programs provide incentive and financial support for company projects such as training programs, education and outreach activity, touring, and creation of new works.

Inception of the Dance Program, for instance, multiplied the number of professional training opportunities available to choreographers. The National Choreography Project, the Sundance Institute, Meet the Composer, Inc., the Carlisle Project, the American Dance Festival Choreographers and Composers Project are among those supported by existing programs. With Endowment help, opera companies developed outreach activities that include free public previews; lecture/demonstrations and excerpt performances in schools; full-scale productions in outlying suburban communities; and working within school systems to help students write, produce, promote and perform their own original operas. The Texas Opera Theater was established ten years ago in an effort to make opera available and accessible throughout the state of Texas and the country as a whole. With the help of the Opera Program, it continues to expand and to enjoy tremendous audience and artistic success. And theater, in its reflection of contemporary life, has been among the most active of the arts in developing work for our time -- work that may become art for all time.

Because of Program money, the arts are experiencing unprecedented amounts of creative and performance activity. Yet the economic realities of nurturing that creativity and performance threaten their continuity. Arts institutions are now struggling to continue their artistic missions under the weight of several factors. Not only has direct federal support of the arts, in the form of National Endowment for the Arts funding, begun to slip at precisely the time that institution production and operating costs are rising, but other impending changes threaten the well-being of arts institutions as well.

Private sector, corporate, and foundation arts support, already woefully inadequate in light of burgeoning company expenses, is further jeopardized by current Administration and Congressional proposals to remove or change tax incentives for charitable giving. Other threats to corporate giving stem from the increasing merger activity of major companies which has ended many corporate arts programs. At the same time, the Administration's proposed elimination of the postal subsidy for nonprofit mailers poses additional problems for arts groups. The nonprofit rate is a vital element in not only the fundraising activities of nonprofit institutions, but also in their efforts to publicize and market upcoming events and activities, their principle means of generating earned income. Another area of concern is insurance costs, costs which have risen so dramatically within recent years that they are now beyond the means of many companies. In short, while the arts have recently enjoyed a period of great creativity, they are now beset with problems on myriad fronts.

As a result of these hardships, many institutions are being forced to shorten their performance seasons; perform and exhibit standard "safe" repertoire instead of undertaking the "research and development" of creating new works; and cut back on their outreach and education activities. As a way of cutting costs, theater is being forced increasingly to mount small-cast, one-set, modern-dress plays, rather than elaborate, full-scale productions. Similarly, it is reasonably certain that in opera, few large scale new works will be attempted as companies lean toward smaller scale, less expensive works. More and more frequently, in all the disciplines, costs are confining the parameters of new work. The result is a restriction of artistic expression.

In light of the problems facing arts institutions, continued Endowment Program support is more important than ever.

The Challenge Grant Program

Another Endowment initiative that has played a significant role in the advancement of the arts is the Challenge Grant program, the mechanism by which the Endowment has provided for long-term institutional stability. Under the terms of the program, applicants must have been in existence at least five years, and must match every Endowment dollar with private funds on a 3:1 basis. Money is used to build endowments or cash reserves; eliminate accumulated deficits; support capital improvements; and occasionally, implement long-term initiatives.

Institutions with a demonstrated record of artistic excellence and of regional or national significance have been able to launch major fundraising campaigns to improve their balance sheet positions with the help of the Challenge Grant program. Similarly, the program has enabled many of the nation's largest arts institutions to found or expand endowments.

With the help of Challenge grants, for example, the San Francisco Opera expanded its operation, by popular demand, to include a second performance season. Its second round of Challenge enabled it to strengthen its endowment and improve its financial stability. The Seattle and Washington, D.C. Operas expanded their performance seasons with the help of Challenge, and the Michigan Opera Theatre, with the help of the program, was able to move into new facilities.

Kenneth Haas, General Manager of the Cleveland Orchestra, spoke to the importance of the Challenge when he said that it may be "the single most influential fundraising device in the history of the arts in this country; certainly The Cleveland Orchestra's two million-dollar challenge grants have been of inestimable value in stimulating support from other sources and helping us to maintain a marginally stable financial position since 1977. It is unreasonable to expect that private sources will take up the slack if Endowment support is reduced."

The Challenge Grant's focus on financial solvency has been an important complement to the Discipline Programs' emphasis on artistic achievement. However it must be kept in mind that institutional stability is built on artistic stability; without the artistic product, the focus of Endowment program monies, an institution has nothing on which to base its growth.

CONCLUSION

We understand the difficult decisions facing this Subcommittee as it attempts to set budget priorities for the federal government. We hope that consideration of the unique role the arts play in society will enter into your deliberations.

By encouraging boldness of vision and independent thought, the arts enhance the creative force that builds progress and excellence in a nation. The creative and unfettered mind is the one that explores new opportunities for mankind, carrying him beyond the familiar and into the future. The arts fuel the ability to dream and to imagine, abilities by which man has mastered his world and reached beyond his ordinary boundaries.

As important as their influence in shaping man's future is the role of the arts as recorder of the past. Great nations are remembered as much for their culture as their commerce -- artistic expression reveals the essence of civilization, and just as the arts preserve the past, they interpret the present. They engender a sense of who we are and where we are going, and give a sense of national pride and identity. As stated in the Endowment's own authorizing legislation, a high civilization must support "man's scholarly and cultural activity in order to achieve a better understanding of the past, a better anaylsis of the present, and a better view of the future."

The arts are more than a creative force, testimony to the past, bellwether of society's values and achievements, however. They are guardians of our humanity as well. In an increasingly mechanized world, the arts rekindle emotions and sensitivities; in an increasingly violent world, they provide spiritual solace. Whose spirits do not soar with the beauty of dance, the majesty of a symphony, the grandeur of opera? Who is not refreshed by an exhibit of master paintings, who not inspired by the power and truth of drama?

BIOGRAPHIES OF PUBLIC WITNESSES

National Endowment for the Arts
FY 87 Appropriations Hearing
March 19, 1986

CAROLYN ADAMS is the Co-Director of the Harlem Dance Foundation and is also an Assistant Professor of Dance at the City College of New York. From 1965 to 1982 Ms. Adams performed as a leading dancer with the Paul Taylor Dance Co. She currently serves as a trustee to Dance USA.

EDWARD M. BLOCK, Senior Vice President for Public Relations, American Telephone & Telegraph, has had an extensive background with the AT&T System. Mr. Block started working for the Bell System in 1952 at Southwestern Bell in the Public Relations Department. He was later promoted to Assistant Vice President in the Information Department of AT&T in New York (1968 to 1972) and as Vice President of the Public Relations Department for Illinois Bell (1972 to 1975). Mr. Block has received an Honorary Doctor of Law and A.B. degree in journalism from St. Edward's University in Austin, Texas. Mr. Block is actively affiliated as a Director with the American Council for the Arts, the National Arts Stabilization Fund and the Council of Independent Colleges, and as a member of the Public Relations Society of America and the Public Relations News Advisory Board.

JUANITA CRABB is the first woman Mayor of the City of Binghamton, New York. Mayor Crabb's efforts have landed her in the December 1985 issue of Working Woman and in a November 1985 SAVVY Magazine article on City development. The City of Binghamton, because of her leadership, earned Third Place honors in the Philip Morris/US Conference of Mayors 1984 National City Livability Award Contest. Mayor Crabb has been appointed by New York Governor Mario Cuomo to serve on the State's Job Training Partnership Conference, the Governor's Commission on Domestic Violence, the Governor's Regional Economic Development Council and the Governor's Commission on Child Care. Mayor Crabb is Second Vice President of the New York State Conference of Mayors and serves as a member of the Executive Committee. She is a member of the US Conference of Mayors and serves on the Housing, Community and Economic Development Committee, as well as the Committee on the Arts, Culture and Recreation and chairs the Subcommittee on Humanities.

MEGAN FOLLOWS is an actress currently staring in the Public Broadcasting Service production of "Anne of Green Gables". Ms. Follows became an instant success at age eleven for her role in the television series "Matt and Jenny". She has performed in many other series such as "The Great Detective" and "Hangin' In", in addition to several Wonderworks shows. She appeared in the film "Boys and Girls", which won an Academy Award for Best Short Dramatic Film. Ms. Follows' most recent role was in the Stephen King movie, "The Silver Bullet".

KITTY CARLISLE HART, an actress and singer with a long record of achievement in the arts and public service, is the Chair of the New York State Council on the Arts, a position to which she was appointed in 1976 after having served five years as the Vice Chair. Ms. Hart has been appointed to the Visiting Committee of the Board of Overseers of Harvard's music school and the Visiting Committee for the Arts at the Massachusetts Institute of Technology, and to the boards of the Manhattan School of Music and the Third Street Music School.

LORIN HOLLANDER, an American born and trained pianist, performs regularly with the finest orchestras in the US and abroad. In addition to his achievements in his performing career, he has attracted attention for his work in the field of arts education and creativity. Mr. Hollander has also served as a consultant to numerous organizations and studies on such issues as creativity and the development of the music prodigy.

JOANNE KOHN, Chair of the Missouri Arts Council, has been active with the Reperatory Theatre of St. Louis since its inception in 1966 and is a past president of its corporate board. Ms. Kohn has served as Chair of the St. Louis Opera Guild and is a member of the board of Opera Guild International. She studied theatre in the graduate school of Catholic University.

ARDIS KRAINIK has been with the Lyric Opera of Chicago since 1954 and was appointed General Manager in 1981. Ms. Krainik is currently a member of the National Endowment for the Arts Opera and Musical Theatre Panel and is a Vice President of OPERA America. She is also a member of the International Association of Opera Directors. Among the numerous awards she has received recognizing her contributions to opera, Ms. Krainik is the recipient of honorary doctorates from both Northwestern University and DePaul University, and has received commendations from both the Italian Order of Merit and the Illinois Order of Lincoln. Ms. Krainik is cited in Who's Who in America, Who's Who in American Women and Who's Who in Opera.

MICHAEL NEWMAN, Chair since 1981 of the North Carolina Arts Council, is an architect in Winston-Salem. Mr. Newman holds a lifetime fellowship in the American Institute of Architects College of Fellows. He is a past president and director of the Arts Council of Winston-Salem and of the Southeastern Center for Contemporary Art.

HARRY S. PARKER, III has served as Director of the Dallas Museum of Fine Arts since 1974. Prior to that, he served the Metropolitan Museum of Art in many capacities, including Vice Director for Education, 1963-1973. Mr. Parker graduated from Harvard University in 1961 and received his M.A. from the Institute of Fine Arts in New York in 1966. He was awarded a Fullbright scholarship in 1961. Among his many affiliations and contributions to the arts: member and President from 1980-1981 of the Association of Art Museum Directors; member and Councilor at Large for 1982 of the American Association of Museums; he is currently a member of the Board of Governors of the Texas Arts Alliance and a Trustee to both the American Federation of Arts Trustees and the Art Museum Association of America.

BARBARA SCHAFFER BACON is the Director of the Arts Extension Service and the Manager of Public Affairs for the Division of Continuing Education, University of Massachusetts at Amherst. She is experienced in public relations, organizational management, fundraising, and marketing. She is Editor of Connections Quarterly, the quarterly publication of the National Assembly of Local Arts Agencies. She provides consulting and instruction nationally in all areas of arts management.

WILLIAM P. WINGATE is Executive Managing Director of the Center Theatre Group of Los Angeles. He is currently a member of the National Endowment for the Arts Theater Panel; member of the Board of Directors of the American Arts Alliance, the Theatre Communications Group and the Hollywood Arts Council. Mr. Wingate was formerly Associate Producer of the Mark Taper Forum Broadway production of "Children of a Lesser God" and Co-Producer for the film version of "Zoot Suit". He holds a M.B.A. from Harvard University, was Business Manager of the Guthrie Theater and worked for the New York Shakespeare Festival and Lincoln Center in New York.

EDWARD S. WOLFF was appointed General Manager of the Alabama Symphony Orchestra in 1983, and formerly served as President of the Peoria, Illinois Symphony Orchestra Association. Mr. Wolff holds a degree in business and economics from Valparaiso University and a certificate in executive management from Harvard. He has formerly held positions as Vice President and Controller of Banks in Ohio, Indiana and Illinois; as Trustee of the Lakeview Museum of Arts and Science in Peoria; and as Chair of the Development Advisory Board of WCBU-Public Radio, Peoria.

Mr. YATES. And, Megan, I am delighted to see you.

Ms. FOLLOWS. I am delighted to be here.

Mr. YATES. Whatever happened with Michael.

Ms. FOLLOWS. Gilbert?

Mr. YATES. Yes, Gilbert.

Ms. FOLLOWS. Well, it was kind of an uplifting—there is possibility between the two of them. As the story goes on, they end up getting married and having a family.

Mr. YATES. Isn't that fine? I was looking for a happy ending. I thought it was just a smashing series of episodes that were presented in this, and I thought you were wonderful. I take it your hair was dyed for the picture?

Ms. FOLLOWS. Yes, it was.

Mr. YATES. I don't know whether you have a statement or not.

Ms. FOLLOWS. No, I didn't really prepare anything.

Mr. YATES. Tell us about your experience with the arts.

Ms. FOLLOWS. I am thankful to be here. Thank you for asking me.

Most of the project I have been involved with could not have been made possible without partial financial aid from the Endowment for the Arts, such as Anne of Green Gables. I have done four "Wonderworks", and the "Boys and Girls", which won an Oscar in 1984 for best short film. And for me, Wonderworks and Government financing has been a wonderful opportunity to express my creativity because it is quality programming that you don't usually find in a lot of the commercial television that is done. I, myself, being from Canada, my whole theatrical background, all my brothers and sisters are actors. My parents are unfortunate, they didn't get a doctor out of any of us.

Mr. YATES. I am surprised they didn't get a lawyer.

Ms. FOLLOWS. They would have been happy with a plumber.

The important thing in Canada is most of the entertainment programs are government financed. The Shaw Festival, the Canadian Broadcasting Corporation, and basically my life growing up in that theatrical background was a very creative one, and to me I can see the absolute essential importance in being involved in the arts and what the arts can offer to people, to myself and especially to young people, how important they are for allowing just basic creativity to flow and being able to produce things like Anne of Green Gables, which was an incredible experience to work on, especially with actors like Colleen Dewhurst, who is just a power house of activity.

Mr. YATES. She is wonderful. She sat in that chair last year and testified, as you are, in support of the arts. We are delighted to see her in that picture. It is not only the stars who were so wonderful, but the staff itself. The aura of the picture, the beauty of the scenes.

Ms. FOLLOWS. It was a very special project to work on, because it is the most famous Canadian novel, and it is one that means a great deal to the people, but is also a universal story in its message and what it has to offer people.

We had a crew and people committed 100 percent to bringing forth the best possible project they could do, and it is something like that, with the financing and the opportunity to make it, that made it really what it was. It couldn't have been done.

Mr. **Yates**. You think the Government, in your vast experience——

Ms. **Follows**. Let me tell you. I may be 18, but——

Mr. **Yates**. I was delighted to watch it.

Ms. **Follows**. I am delighted you would watch it.

Mr. **Yates**. I wouldn't have missed it in retrospect. I thought it was just wonderful. The emotional thrust of it was so great, the love and the humanity that was expressed so beautiful and so warm, and your rendition of the part of Anne, with the "E" at the end of the Anne, of course, I think was just superb, and it is a delight to have you here.

Ms. **Follows**. Thank you.

Mr. **Yates**. Thank you for telling us about how good a job Canada does in supporting the arts.

Ms. **Follows**. You do just as good a job.

Mr. **Yates**. We do. We are trying to keep it that way, and we are trying to augment it.

Ms. **Follows**. I also have something for you.

Mr. **Yates**. What do you have?

Ms. **Follows**. I have the cassettes of Anne of Green Gables on tape. In case you ever think it is not important, just look at the tapes.

Mr. **Yates**. I don't think I would ever feel that way. I would only hope I could bring others to my side.

Mr. **AuCoin**. In which case, Mr. Chairman——

Mr. **Yates**. Did you see it?

Mr. **AuCoin**. It was just wonderful.

Mr. **Yates**. This has the advantage—you don't remember Pearl White, do you?

Ms. **Follows**. Yes.

Mr. **Yates**. Pearl White was a serial star in the early twentieth century.

Ms. **Follows**. I know the name.

Mr. **Yates**. We could hardly wait from week to week to see whether she was going to be rescued or not because she had been tied to the railroad tracks, and the train was coming and all that. We had that same experience in waiting for your next expression. Just wonderful.

Okay, next on our list is Mr. Block. Mr. Block, we are delighted to have you again. It is always a pleasure to welcome you. Your testimony will be made part of the record.

Mr. **Block**. Thank you, Mr. Chairman. May I compliment you for your performance on CBS Sunday Morning, not only for performance, but I think there is no question, that wonderful collaboration the museum is would not have happened if you had not shaped the issues for the staff. I know when they interviewed me for the 14 seconds I was on camera what they were doing were bouncing issues off me to get confirmation or not.

Mr. **Yates**. I think I was on for ten seconds, but it is interesting we talked for an hour on camera. I see now why programs are so expensive. What I can't understand is why they don't accept the most important things I said. They have their purpose, I guess.

Mr. **Block**. Indeed.

Mr. **Yates**. Go ahead.

Mr. Block. Having filed my testimony, I will restrict myself to a couple of observations.

Mr. Yates. Congratulations to you and to AT&T for what you are doing in the field of the arts. The show at the National Gallery I think is a wonderful show, the impressionist show, and, of course, you have sponsored ballet and theater, and I think AT&T is to be commended—and opera, too. Which opera?

Ms. Krainik. Handled Sampson this year.

Mr. Block. We continue to be committed to the support of the arts.

Mr. Yates. Continue on, and I hope you don't lose your hair.

Mr. Block. You are too late, it is going. As usual, I am not certain who I speak for, other than myself, this morning. I am chairman of the board of the AT&T Foundation, which is the largest corporate foundation, vice-chairman of the American Council for the Arts and board member of the National Arts Stabilization Fund. I will leave it to you to figure out how I drift in and out of those roles.

I would like to take two or three minutes to say for the record, if I may, is having been before your committee many times before, I thought this morning I would like to enumerate some of the important considerations about the role of the Endowment for the Arts that are so obvious, they are so uncontroversial that we often overlook them or, at least, we fail to explicitly say what they are. I have just four of them, and I will tick them off in a hurry.

One is that the enabling legislation which originally created the Endowment clearly expressed the sense of Congress that the Federal Government shares in the financial obligation to sustain the arts and to enlarge access to the arts in the United States. I want to say that was the right idea when Congress passed the bill, it is still the right idea. I want to assure you, my colleagues in the business community, among the corporations that consciously support the arts, are in favor of that private funding partnership with the Endowment in a lead role there.

The second obvious idea I would like to talk about is that the Endowment itself is indispensable in that partnership for lots of reasons, but what I have in mind is that Congress did give the NEA a unique role, a unique mandate, and that mandate is different from and has no counterpart in the private sector, so what we do and what the Endowment does are complementary, they are not overlaps or duplications.

What I have in mind there, for example, the Endowment focuses its work on insuring quality in the American arts. I can't say that every corporation or every individual who gives to the arts necessarily has that in mind. The Endowment certainly is focused on the individual artist, and there is very little of that, almost none in the corporate world, very little in the private sector generally.

Mr. Yates. A different kind of artistry.

Mr. Block. Exactly. Risk-taking, as I have had occasion to hear you say before, corporations may provide very important help to the arts in funding, but we don't go very far out on a limb, where something has never been done before for which there isn't already a very large constituency, because we owe that to our stockholders.

The Endowment does worry about such issues, so a lot of experimental work that is proposed will never be done.

We heard about some of it here before with the Sundance Foundation.

The seed money is the money the NEA puts out. There are lots of fund drives I have worked on that never would have gotten started at all if there hadn't been seed money and a sort of imprimatur from the Endowment to get it going, because fund raising, as you know, is very competitive in the arts.

And then, finally, the matching grants. I continue to be astonished even in the Congress, outside of this committee, many many people don't know that most of the NEA money gets translated into matching grants in multiples of three-to-one, not untypically. In fact, there is a program of the Endowment that was started a few years ago, and I forget the name of it, but its grants turned out to be 150 different local art agencies, and the Endowment put up $6 million. That $6 million actually over a three-year period generated $27 million in small grants. It really multiplies. So the mission of the Endowment is different and necessary.

A third idea, the Endowment is effectively and wisely and prudently managed. It has been and continues to be; and it is well led by the current chairman, in our opinion. So I can't resist the temptation to say that on the basis of its management performance, there is no warrant for reducing its programs or its budget, I don't know of any critics who have accused the NEA of promulgating the cultural equivalent of an $800 coffee pot and the $50 monkey wrench.

Mr. Yates. There are a couple.

Mr. Block. Well, some people like neon beer cans.

Fourth and finally, to whatever extent, it has been the desire of the current administration to shift the burden of arts funding away from the Federal Government and toward and onto the private sector and states; that has worked, that is working. Just a couple of figures to document it. The NEA budget, as you know, has remained essentially flat since 1980. Largely through your leadership, it would have even been flat. But since 1980, corporate support, or I should say it this way, corporate support was $250 million in 1980. This year, it will go over $1 billion. That went up while the Federal program has been essentially flat.

State government support was about $100 million in 1980. It is over $200 million now. City and municipal, the figures are a little harder to pin down with precision. There are many estimates that say municipal or city and county support for the arts is going up at a faster rate than state support. There is an estimate for this year that I do have some confidence in which shows that city and county governments will give $350 million to the arts.

So to whatever extent the idea was to lessen the dependence on the Federal Government and increase on the private sector, that has worked and is working.

My final comment, if I may have 30 seconds more, is simply to say that is what scares me, that it is working.

Mr. Yates. You mean may work too well?

Mr. Block. Yes. And some distortions are showing up and some limits. So notwithstanding the cries of the business community to you and your colleagues in Congress to do something about the budget deficit, notwithstanding our understanding that you have some very unhappy, tough, difficult choices to make this year, don't look too hard at the Endowment. And the reason has to do with what has happened in the last few years in funding.

We have an expression in the business community, the buzz word, "elasticity", but the limits of elasticity. I think the run-up in the private sector, the run-up in city and state government has about reached its limits. As you know, when you start raising money in a new constituency, if you do it right, if you are well organized, the first money is easy, but as you get deeper into that constituency, your margin is just less and less. There is a limit there.

Another thing that was brought out on the CBS show is that arts organizations are not all created equal in terms of their access to money, so if you are in a large metropolitan area, you have more options than if you are not. If you are in a conventional arts, you have more options than if not. If you are an institution of any kind, you have more options than if you are an individual artist.

So what I am saying is that those kinds of distortions, expensive fund raising that has low margin, events staged in order to attract corporate money, which are fine, that is very important to those institutions, but the point is those events don't always, as was not the case with impressionists, they don't always enlarge access for the public.

I would simply end by saying that we want the Federal Government to continue to be a full partner, not a junior partner, in this private partnership, and we are beginning to get the impression that we are doing our part to accommodate the national policy, we want to see the Federal Government hang in there with us.

Thank you, sir.

Mr. YATES. Good for you. Mr. Macomber, when he testified, said that in his experience with the Metropolitan Museum of Art, that quite frequently in their shows they cannot arouse corporate interest to totally finance a show, and it is only when the NEA gives them a grant to indicate that the show has some importance that then it becomes so much easier to obtain corporate support. Has that been your experience too?

Mr. BLOCK. Indeed, it is. Now we are currently blessed with a professional staff, at least of a couple of people, who have authority in the arts, but that is untypical. So when a corporation may want to support the arts but is unsure of the judgment of the hired managers, like me, the leadership by the Endowment is a very important—it is a conclusive signal many times that, it is okay to support, it has the blessing of the Endowment, the money of the Endowment, and it has had a peer group review. That can very definitely push you around the bend.

Mr. YATES. Thank you.

[The statement of Edward M. Block follows:]

TESTIMONY
OF
EDWARD M. BLOCK
SENIOR VICE PRESIDENT
AT&T
and
MEMBER, BOARD OF DIRECTORS,
AMERICAN COUNCIL FOR THE ARTS
RE: FY 1987 APPROPRIATIONS
TO THE
NATIONAL ENDOWMENT FOR THE ARTS
BEFORE
THE
HOUSE APPROPRIATIONS
SUBCOMMITTEE
ON THE
INTERIOR
MARCH 19, 1986

Block

Mr. Chairman and members of the Subcommittee, my name is Edward Block. I am past President and a member of the Board of Directors of the American Council for the Arts (ACA). I am also a member of the Board of Directors of The National Arts Stabilization Fund, Inc. As the Senior Vice President for Public Relations at AT&T one of my responsibilities is to serve as Chairman of the Board of the Trustees of the AT&T Foundation. It is a pleasure to have another opportunity to appear before you regarding federal appropriations for the National Endowment for the Arts in fiscal year 1987.

In my testimony on April 18, 1984, duly filed with this Subcommittee, I argued that maintaining the highest possible level of federal appropriations for the arts consistent with budgetary prudence was warranted by at least four major lines of argument:

(1) The perceptible shift of foundation and corporate giving patterns from the arts to the satisfaction of perceived needs in health, social services and education, among other fields;

(2) The relatively small share that government funds comprise in the arts economy within which even some of our leading non-profit institutions and performing arts groups remain severely undercapitalized and in precarious economic condition;

(3) The unique responsibility and capability of the National Endowment to secure for all Americans access to quality arts programs, to encourage risk taking and new art forms, to utilize its extensive professional staff and peer panel review system to assess applicant and application quality and to provide assistance to individual artists; and,

(4) The continuing capacity of the arts not only to enrich the lives of our citizens, but to convert a relatively modest federal government dollar investment into generating employment, triggering consumer discretionary expenditure, attracting tourism and otherwise contributing significantly to the health and vitality of local economies.

These considerations distinguish the mission of the Endowment in the healthy public and private sector partnership that sustains our nation's arts programs. Neither individuals, nor foundations, nor corporations, can alone or collectively substitute for the NEA. Nor should they.

From AT&T's point of vantage, an indispensable ingredient of the well-being of the arts in America is an adequately financed National Endowment. No other institution or set of organizations can possibly satisfy the Congressional mandate that led to the NEA's establishment, from which I quote in part:

> ...it is necessary and appropriate for the Federal government to help create and sustain not only a climate encouraging freedom of thought, imagination and inquiry, but also the material conditions facilitating the release of this talent (emphasis added)

The Reagan Administration's efforts to enlist increased financial support from state and local government and from the private sector have worked. The dependance of arts organizations on federal support has been reduced. In what follows, I'll argue that such a trend cannot be sustained without adversely affecting the vitality of the arts in America and weakening the strengthened public/private partnership that has been at the very center of federal policy objectives since 1980.

For example, in FY 1981 the NEA received an appropriation of $158.5 million. In the same year, the total of all state appropriations for the arts was $101 million. By 1986, the NEA's budget had moved up only slightly to $165.6 million. During the same period, aggregate state appropriations for the arts had doubled to $201 million. City, county and municipal art support growth trends have also outpaced federal aid to the operating and capital budget of arts institutions across the country.

With the prospects of Gramm-Rudman-Hollings induced budgetary austerity, arts institutions will be fortunate if state and local support stay constant. In the face of major federal cutbacks in assistance to state and local governments, only an incurable optimist would predict real growth in support of the arts from this source.

Since 1980, corporations and individuals have also found arts programs attrative and they've earned a growing share of an enlarged philanthropic pie. But the signals we read at AT&T strongly suggest that these trends will not continue. Private foundation support for the arts appears to have flattened. Corporations are increasingly pressed to respond to a host of other needs for philanthropic support — in higher education, community and economic development, efforts to remedy high school drop-out rates, the problems of housing the homeless, functional illiteracy — the full panoply of basic human services. At best, corporate support for the arts will increase only marginally if at all in the near-term, given such competing and compelling claims on philanthropic budgets.

Since 1980, then, the mix of philanthropic, state and local and federal government support of the arts has tilted heavily away from the latter source of support. The proportion of federal aid that helps to sustain the estimated 20,000 arts organizations in the America with combined operating budgets in excess of $2 billion has rapidly fallen. As viewed from the perspective of the American Symphony Orchestra League, for example, 5.8% of the revenue of a representative sample of 24 of its members that came from the federal government in 1980 had shrunk by more than half to 2.6% by 1985. A similar trend is apparent in virtually all disciplines — theater, dance, opera, museums, arts presenters — all across the artistic landscape.

The message of all of this is very clear. The pendulum cannot swing much further in the direction of private support of art without adversely affecting its welfare. If the NEA is to remain true to its Congressional mandate, it cannot have its role fade into that of a cheerleader or morale officer for private sector effort. The NEA must have at its disposal a critical mass of funds to exercise its leadership role. Otherwise, it will increasingly be paid little heed and we will have succeeded in converting a healthy partnership into an unhealthy and unsustainable dominant role for private philanthropy and state and local effort.

Mr. Chairman, I recognize the high priority the Congress must give to reducing and containing the federal deficit. Nowhere is the concern for and support of that effort greater than in the business community. But few voices have been heard to say that in the arts the federal government has spent too much or unwisely. In fact, there are few fields in this nation's not-for-profit sector in which public funding constitutes such a small share of organizational budgets, in which the catalytic impact on enhanced private sector giving is as potent and in which the multiplier effect on the general economy of dollars invested return as much.

These observations are particularly telling in the context of two other developments that would render a reduction in NEA funding a triple blow to the arts community. As you well know, what has animated the growth in arts budgets in recent years has been earned income. Both in absolute dollars and in the share of arts organization revenue, it is earned income that has grown the fastest. American audiences for, and support of, the arts have risen rapidly in the past decade as reported convincingly to this Subcommittee by my ACA colleague Lou Harris. But the cost of securing that earned income has escalated in recent months at a pace far faster than can be fully returned by attracting more ticket buyers. The cost of direct mail, a critical instrument to attract subscribers and patrons to the arts, has risen 45% for all non-profits since January 1, 1986 from 6 cents per piece to 8.7 cents per piece. That hurts. And so will a number of tax reform measures before the Congress that will increase the cost of charitable giving, if enacted.

Under such conditions, it would be particularly troublesome for the NEA concurrently to have its capacity to support the arts community further reduced. The private sector in general, and the corporate community in particular, have recognized the value of supporting the arts and have acted boldly on that recognition. But they cannot fully substitute for the underpinning that enlightened federal assistance offers. If that pillar of aid erodes, the fragile tapestry of the arts economy can being to unravel.

That is a result zealously to be avoided.

Mr. **Yates**. Now we have Ms. Carolyn Adams, who is co-director of a wonderful Harlem Dance Company. Your statement may be made part of the record.

And I will tell you that you have a marvelous company. You have wonderful dancers. I should remember her name, but the tall wonderful dancer we have watched over the years, is she still dancing?

Ms. **Adams**. I think you mean Virginia Johnson. That is the Dance Theater of Harlem. We share a community, but are different institutions.

Mr. **Yates**. I thought you were the Dance Theater of Harlem.

Ms. **Adams**. I receive his phone calls on a daily basis.

Mr. **Yates**. You accept his compliments too?

Ms. **Adams**. I certainly do. I am a great fan. I saw Mr. Mitchell quite recently at the Data Center for the Arts where the company is doing its Harlem season, it is only seen in New York. It is going to be uptown. He kids us because our dance foundation exists in a restored 18th Century brown stone, and he sometimes longingly says "I wish I could have kept it in the family." I think he is enjoying the success.

Mr. **Yates**. Are you strictly in Harlem now, or are you national as he is?

Ms. **Adams**. Our foundation is a training facility and service organization at the same time. We started actually as a family. My sister and my parents are both in communications in the arts. My sister heads the dance department at Brown University and does quite a bit of commuting. We started out because we were interested in Harlem as a community and realized we couldn't just start with an arts institution and thrust it on the community, we wanted to do something that would sort of increase notions of aesthetics and quality of life kinds of things.

We do everything from preservation projects to architectural exploration with dancers in the streets, audience development projects, and teach them how to dance. Our expansion, in fact, our classes are large now, so we have expanded to some of the facilities at City College.

Mr. **Yates**. Are you funded under the expansion arts?

Ms. **Adams**. Yes.

Mr. **Yates**. I am delighted to have you come in and tell us about it because I wondered what Exhibit A would look like, and you look wonderful. And your story is a good one.

Ms. **Adams**. That is wonderful.

The other reason it is kind of interesting for me, my parents very much wanted both of us to teach and to have a facility and basically started us off in the studio. But we both decided we wanted to teach while we were still actively performing, because we felt it was a very important time to start training people when you have that sort of excitement on the stage. I am also a performer.

Mr. **Yates**. How valuable has the National Endowment for the Arts been for what you have done?

Ms. **Adams**. It has been important on all fronts, because I think one of the most important things is to do—whatever it is one is perpetrating to be able to do it within a healthy environment, and I think the setting of the atmosphere has been the most essential thing, the awakening of American people to dance. And there are a number of things I would like to tell you about with regard to my past and my future.

Mr. YATES. Please do. Your life is an open book. Proceed.

Ms. ADAMS. I come to you as a member of the arts community for over 25 years as a performer and as a dance educator in order to impress upon you the importance of continued support for the arts in America through the National Endowment for the Arts. I recently had the privilege of speaking before my colleagues at the Dance U.S., a round table in Atlanta, and I spoke about the elusive, magical as well as practical aspects of artistic collaboration on the creative process and about the fundamental value of the arts and human experience.

This relates to a central issue of investment, I think investment of time, as well as money. A dancer may be superb in technique or physical prowess, but the works created between dancer and choreographer require collaborative efforts and time. Despite the elusive nature of our art form, American dance has produced countless works and masterpieces, most of which have been performed, recorded, taped, filmed and reconstructed, but all of which exist because the dancing choreographer had the time to make the work.

The field of dance has reached across this Nation, due largely to the support of the National Endowment for the Arts, whose programs initiated and ignited the dance explosion of the 1970s inspiring other artists, changing people's attitudes about art in America, making possible the creation of new theaters, employing technicians and administrators.

This explosion affected and continues to affect curricular changes at the primary, secondary and university level of our system of education. And this proliferation of artistic endeavor has furthered audience development for classical ballet while awakening the American public to modern dance, one of our few indigenous art forms. Through the Dance in America television series, American concert dance is now in the mainstream, and again due largely to the National Endowment for the Arts.

In 1965, when I first toured America with Paul Taylor, most communities in this country were without theaters, college dance programs or audiences. Brilliant dance artists sacrificed proper settings and amenities in order to bring a portion of American culture to the American people. I was fortunate to have remained in the Taylor Company for 17 years, long enough to see the demise of most of the make-shift stages, empty houses and puzzled questioning eyes, and long enough to see the effects of American dance on the culture of Europe and Asia.

Our country has become a mecca for dance. Federal Government funding for the arts has been the hallmark of a dramatic change in the perception of this country throughout the world. While in the Soviet Union in 1978, I became friendly with a young dancer in the Kiroff Ballet. We were both fluent in French, I no longer am, but I was then, and so we dismissed our interpreter. I soon realized she was a star in Russia, prima ballerina, I was the laborer from America. The star in our family is a cousin, Julius Adams, the same name as my father, number 85 of the Boston Patriots.

But I also realized that my creative work had much more to do with not so much a personal career, but with the building of an institution and a new one. By field, I mean series of works of arts created over time of such merits, troops and vision, that they reached beyond luxury to the senses, to habits, needs, morass and changing perception at once embracing and creating American culture.

This endeavor must never be denied its place in the economic, social or cultural arena. Support for the arts through the National Endowment for the Arts accomplishes numerous things. The support of major companies and organizations, the support of individual and minority artists, and the perpetration of new work, new choreography, invention, the very keystone of our culture.

It seems to me that our concern should be to pursue the frontiers of the arts for all the Nations, by supporting those valiant pioneers, the artists, and it seems to me we should acknowledge the role American art has come to play in world culture. I urgently ask you to consider the support for the arts in America as not a luxury. It is a life line for artists, passport to the world, an identifying force of the Nation I believe still shaken.

I appreciate the opportunity for being able to say this to you. Thank you very much.

Mr. YATES. We are appreciative of the fact you came in and told us.

Mr. YATES. Do you still dance?

Ms. ADAMS. Yes, I do. I was on the road for 17 years, six months of the year, and never missed a performance, and after 17 years I decided I wanted to do a little less and performed sort of intermittently. It is hard to stay in shape that way.

Mr. YATES. You are not a break dancer, though?

Ms. ADAMS. No.

Mr. YATES. But you train them?

Ms. ADAMS. Yes, I train them.

Mr. YATES. Thank you very much for coming in.

[The statement of Carolyn Adams follows:]

Testimony of Carolyn Adams

before the House Interior Appropriations Subcommittee in support of Federal funding for the arts through the National Endowment for the Arts.

Wednesday, March 19, 1986

Chairman Yates, distinguished members of the subcommittee:

I come before you as a member of the arts community for over 25 years, as a performing artist and dance educator, in order to impress upon you the urgency of continued government support for the arts in America through the National Endowment for the Arts.

Recently I had the privilege of speaking before my colleagues at the Dance-USA Round Table in Atlanta about the elusive, even magical as well as practical, aspects of artistic collaboration in the creative process, and the fundamental value of the arts as human experience. This relates to a central issue of investment---investment of time as well as money.

A dancer may be superb in technique and physical prowess, but the works created between dancer and choreographer require collaborative effort and time. Despite the elusive nature of our art form, American dance has produced countless lasting works and masterpieces, most of which have been performed, recorded, taped, filmed and reconstructed, all of which exist because the dancer and the choreographer could take the time to make the work.

The field of dance has reached across this nation, due largely to the support of the National Endowment for the Arts, whose programs ignited the dance explosion of the 1970's and changed people's attitudes about art in America, inspired other artists, made possible the creation of new theatres, employing musicians, technicians and administrators. This explosion affected and continues to affect curricular changes at the primary, secondary, and university levels of our educational system. This proliferation of artistic endeavor has furthered audience development for classical ballet while awakening the American public to Modern/Contemporary dance---one of our few indigenous art forms. Through the Dance in America television series, American concert dance is in the mainstream, again due to the support of the National Endowment for the Arts.

In 1965, when I first toured America with Paul Taylor, most communities were without theatres, college dance programs, or audiences. Brilliant dance artists sacrificed proper settings and amenities in order to bring a portion of American culture to the American people. I was fortunate to have remained in the Taylor company for 17 years---long enough to see the demise of most of the makeshift stages, empty houses, and puzzled, questioning eyes, long enough to see the effects of American dance on the culture of Europe and Asia.

Our country has become a mecca for dance. Federal government funding for the arts has been the hallmark of the dramatic change in the perception of this country throughout the world.

While in the Soviet Union in 1978, I became friendly with a dancer in the Kirov Ballet. We were both fluent in rench, so we dismissed our interpreter. I soon realized that she was a star in Russia, a prima ballerina. I was a laborer in America. The star in our family is a cousin, Julius Adams (the same name as my father) #85 with the Boston Patriots, in and on a field we all recognize and admire. But I also realized w hile in Russia that my creative work had to do with far more than the building of a personal career. It had to do with the building of a new American institution, and the agrandizement of a field. By "field" I mean a series of works of art created over time, of such merit, truth and vision that they reach beyond luxury to the senses, to habits, needs, mores, and changing perception---at once embracing and creating an American culture. This endeavor must never be denied its place in the economic, social, or cultural arena.

Support for the arts through the National Endowment for the

Arts accomplishes numerous things---the support of major companies and organizations, the support of individual and minority artists, and the perpetration of new work, new choreography---invention: the very keystone of our culture.

It seems to me that our concern should be to pursue the frontiers of the arts for all the nation by supporting those valiant pioneers, the artists. And it seems to me we should acknowledge the role American art has come to play in world culture.

I urgently ask you to consider that support for the arts in America is not a luxury, it is a lifeline for artists, a passport to the world, and the identifying force of a nation still shaping its roots.

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Mr. Yates. Next on our list is Mr. Newman, the chairman of the North Carolina Arts Council.

Mr. Newman. Thank you, Mr. Chairman.

I am from Winston-Salem, North Carolina, and for the past five years I have been privileged to serve as the chairman of the North Carolina Arts Council. North Carolina is a rural state. Some see us as a bunch of red necks living in the cultural back water, while others see us as the economic, intellectual and cultural leaders of the South. My hunch is that both views have some truth.

I am here today to thank you, Congressman Yates, the Congress and the National Endowment for the Arts for making possible a creative renaissance in North Carolina during that past 20 years. The North Carolina General Assembly and our Governors have followed the National Endowment's lead and demonstrated their support for simulating creativity among the six million people in our state.

Now, while many do not consider the arts as a business, arts and cultural organizations represent the tenth largest employer in my county of 240,000 people. Now this puts the arts up there with our major industries, such as R.J. Reynolds industry, AT&T, Piedmont Airlines, and Marcopia Bank.

Mr. Yates. And furniture.

Mr. Newman. Art has influenced the local economies across North Carolina by attracting tourism, encouraging convention business and helping to recruit workers and new workers to our state. Underpinning all our efforts is our stewardship to nurture the creative mind. We need to constantly remind all North Carolinians it is not only okay, but it is vitally important to be creative and support creativity.

The arts have proven to be the best avenue to stimulate creativity. In North Carolina, we do this through individual artist fellowships, grants to commission new works and perform or exhibit them across the state, and we strongly support emerging rural, black and Indian programs. North Carolina has the largest native American population of any state East of the Mississippi.

We also have an artist residency program in each of the 58 community colleges in our state. This places an artist not only in an educational environment, but in an active process of community involvement. North Carolina supports a state symphony that has not only performed in New York and Chicago but also regularly performs in all of our 100 counties.

North Carolina Dance Theater thrills audiences in the Tar Heel State. It appears also in towns from Alaska to Puerto Rico and has received rave reviews for performances in London and in France. We support creativity through audience development. I believe it is essential for North Carolinians to be able to hear and see the very best that America has to offer.

Six thousand arts activities in the schools in my county, six artists exposure for each students in a school year. Now, in a rural state such as North Carolina, where money is not plentiful and public education is woefully underfunded, we take great pride in the student that is reached six times a year by an art program. I am ashamed, I am ashamed that we can't do more to stimulate creativity in our school children and that we are so limited in support of the creativity in our young people.

Now, I am working hard to try to maintain a climate for creativity. I don't know if we are a bunch of rednecks and basically in need of civilizing, or in fact we are leaders of the New South in search of even greater challenges. But in most cases, we must have and we appreciate your support, Congressman Yates. I cannot overemphasize, as others have said, how far each Federal, state, local and private arts scholarship goes to nurture better North Carolinians and better Americans, and I thank you.

Mr. **YATES**. Thank you very much for an excellent statement. Give our regards to Mr. Haynes.

Mr. **NEWMAN**. Thank you.

Mr. **YATES**. Our last witness on this panel is Mr. Lorin Hollander, a very distinguished concert pianist and conductor.

Mr. Hollander, I hope my grandson gets to play the piano as well as you do.

Mr. **HOLLANDER**. Thank you.

Mr. **YATES**. And he is ten years old now.

Mr. **HOLLANDER**. When did he start?

Mr. **YATES**. I guess he was about six when starting. First rate. I could listen to him forever.

Mr. **HOLLANDER**. Well, there is very little for me to add to——

Mr. **YATES**. There is a lot for you to add. I wish we had a piano, you could add a lot.

Mr. **HOLLANDER**. And also to what you have done in allowing your vision to flourish.

Mr. **YATES**. It is the committee, it is Mr. AuCoin and the others.

Mr. **HOLLANDER**. What I simply wanted to do—it is very difficult for me to put it all into a few words—is just to state what I sense many of us feel, as I have heard here words such as creative and love and cultural and family, and the arts are truly the center of the human experience. We have anthropologists and historians studying many societies, perhaps in the thousands. Virtually every society that we have studied has placed at the center of his priorities the arts, and even more intriguing, allowing the children to learn about life through the arts, that art is more than music and beautiful dances and imagery and sculpture and theater, art is the way we come to know ourselves and experience the world.

It deals with the vast language of symbolism, with communication, with the spirit, with human emotions; it is what human beings are truly all about.

Art is so valuable because it is the place where we can be fully human, where we can nurture compassion and warmth and creativity. Interestingly, recently there has been a great deal of exploration of the commonalities between art and science, to try to understand what it is that the scientist is involved in in visionary thinking and in the many modalities of thought that science deals with. We find that the parallels are more often discovered than the differences, that visioning and discipline and risk taking and sensing, looking for elegant theories and beautiful solutions, understanding the modalities of thought, and the analytic mode which is called left break thinking. The more intuitive hollistic searching visionary modes are in a glorious dimension which is what all of music, all of the arts deal with.

But what I want to explore here is in my travels as not only a performer but more and more as an educator, I firmly believe that art should be a basic among basics in our education. I am discovering that children can be nurtured to the depths of their being in mastering the creative elements of their personalities, creativity that can be brought to any career, any life yearnings and which is that they care to examine, that that can be learned most fully in art, that the educational system which is going through a very profound soul searching. In looking for excellence and quality, and as we have discovered that we perhaps have not nurtured creativity, we must draw parallels to the importance that art plays in allowing children to be creative.

More and more the institutions men found are taking leading roles in the educational process in the communities, so that the money that you give to those many, many arts organizations, touch directly on the lives of little children. Perhaps it is because I have a one year old baby that I am so focused on the question of what is the human being. How can we, with these little jewels that look up to us with such faith and such trust, share with them about what humanity has left us and what their potentials as a human being are all about in a universe which is endless mystery. What will allow them to dare to glimpse the high reaches of the human spirit and human soul? What can we give to them that will prepare them for the awesome task of carrying this planet into the future?

What we need today is a planetary population, brilliant visionary, humane understanding, common experience of culture, willing to compromise, willing to work together for the peaceful, joyous celebration that life can be. What do we have that has the power to allow these children to deal with mythology of their consciousness, with the shapes of conceptual thinking? What can we give the children that will allow them to become fully human?

It is only the arts.

Howard Gardner's Project Zero has identified seven different types of intelligence—and he says that list is probably not exhaustive—of which our normal right or wrong analytic type of education does not deal with art and have a profound importance in allowing creativity to be nurtured.

I am here to thank you for all that you have done personally and to offer you help and support in allowing the major task of all of us that believe in the arts in a country that needs occasionally to be reminded of that importance, that if we are going to have a great culture, and heavens knows we are a great culture, that art is the heart of that. Art is the human being, art can heal so many of the ills, art can bring families together, can allow a child who would go to vandalism and crime and violence to find legitimate outlets for these powerful emotions.

Music can point the way; dance, also. And our understanding of the psychological well being of human beings is a new field of exploration and indeed, all of the art therapy is understanding how the arts touch the body, mind, emotional synthesis.

We are beginning to see glimpses, again knowledge which we have had in many glorious societies, but we are now with our scientific understanding, affirming and confirming. We are learning specifically why art is a necessary condition for being human. Art deals with the dreams, the visions, with imagination. We are learning with much concern that perhaps we are losing our position as the leader in the world in so many fields. We used to be looked at as great innovators in technology and perhaps in many areas we still are, but we are no longer seen as the great creative spirit, we have lost something, something that "A Nation At Risk" and the 20-odd other reports that explored the quality of education in our country have already begun to articulate.

We must allow them to discover the connections where art can be of value. I want to express the concern for the arts organizations, who are constantly in need of funding. When they look at a possible lowering of the appropriations, and at the same time, possible tax consequences, the revenue sharing consequences, the loss of the postal subsidies, they see that some of their foundations are being pulled out from under them. The arts organizations locally in the communities are carrying their share. These are people who give of themselves; they need help.

As was so beautifully stated that when the Endowment funds a project, it is okay, it means something, our Government must be a model to set our values, must point the direction, must help us achieve the quality so that many artists' lives are even important, to allow art to become a part of everyone's life so that creativity and joy and purpose of living can be again the great American heritage that it always was.

Mr. YATES. Good for you. A fine statement. We appreciate all your statements. They are very, very good.

Megan, there has been talks about Canadian imports. We want Canadian imports like you.

Ms. FOLLOWS. Thank you.

Mr. YATES. Thank you very much. We appreciate it. Thank you very much.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE ARTS

WITNESSES

JUANITA CRABB, MAYOR, BINGHAMPTON, NEW YORK

WILLIAM P. WINGATE, EXECUTIVE MANAGING DIRECTOR, CENTER THEATRE GROUP OF LOS ANGELES

EDWARD S. WOLFF, GENERAL MANAGER, ALABAMA SYMPHONY ORCHESTRA

BARBARA SCHAFFER BACON, EXECUTIVE DIRECTOR OF ARTS EXTENSION SERVICE, UNIVERSITY OF MASSACHUSETTS

Mr. YATES. Our next panel is contributions of the arts and arts institutions to building communities and to enhancing civil pride, national, state and local.

Juanita Crabb, Mayor of Binghampton, New York. We are glad to have you here, Madam Mayor.

Ms. CRABB. Thank you.

Mr. YATES. Mr. Wingate. There you are, Mr. Wingate.

Mr. **Wolff**. Hi, Mr. Wolff. And Ms. Bacon.

Ms. **Crabb**. Thank you Congressman, and let me begin by saying I bring you greetings from Congressman Matt McHugh, who is our Representative.

Mr. **Yates**. Aren't you lucky. He is wonderful.

Ms. **Crabb**. And I am delighted to be here and share in this discussion. It was wonderful to listen to all the artists speak with such passion about their professions and what they feel it does for all the people of our country, and I must say to you, your reputation precedes you in all you have done.

Mr. **Yates**. That is what I am afraid of.

Ms. **Crabb**. And let me just say that my statement perhaps will help you in carrying the message to your colleagues that might not share that same passion.

Today I speak to you not as the Mayor of Binghampton, New York, concerned about the problems facing my constituency, although their concerns are well represented in my presence. Rather, my appeal is on behalf of all cities, and for all mayors, and about the quality of life of all our people. I speak today of this Nation's high regard for its cultural resources as idealized in the National Endowment for the Arts.

I realize that, at this moment, you are considering such serious and weighty topics as aid to Nicaragua, funding of housing, and job development legislation. While these significant issues are the focus of considerable congressional debate, it is also essential for you to consider the fundamental purpose and reasoning behind our national devotion to the preservation of our culture and the promotion of our ways. If we are to thrive as a civilization, continue to set a global example, we, as a society, must not fail to express our idealism, our vision for the future, our question for goodness. We must not fail the arts which express our collective inner dreams and desires.

In these trying financial times, sacrifices at all levels of Government are often called for. If the President's budget is adopted, funding for major Federal programs benefitting cities, and the people living in cities will have declined by an unbelievable 71 percent in the few years since 1981. Of the $10 billion in rescissions proposed by Mr. Reagan for 1987, a full 75 percent occur in urban areas.

I seriously doubt if I need to tell you that reductions of this magnitude will significantly affect the quality of life in our communities. These proposed cuts come at a time when cities are constrained in their ability to meet the needs of their citizens. Few cities have sufficient revenue resources to finance the new responsibilities thrust upon them in recent years. However, in spite of the recent financial hardships, our cities continue to shine brightly at the center of our artistic community.

Our Nation's cities have historically been haven for the masses, with people immigrating to these shores to settle at the pulse of a community. This wonderful diversity has created in our cities a mesh of cultural heritage, something of quality, something quite unique—the conglomeration that is America. We, as a people, have come to appreciate the richness of our culture and its wealth of traditions as precious gifts to be treasured and protected. Through the National Endowment for the Arts, we are guaranteed that these gifts will not be lost to the generations that will follow ours.

With the possible reduction in funding to the National Endowment for the Arts, we toy with the very heart and soul of the city, and stray from our national commitment to the arts. By considering a reduction in funding for the National Endowment for the Arts, the only Federal program specifically designed to broaden this Nation's cultural diversity, we invite blandness and selfishness to enter our national conscience. With a lack of commitment to the arts, we are destined to be the only western nation devoid of artists, and poets, and musicians.

Without promoting artistic expression about our culture, an inevitable flaw will arise in the character and fiber of America. We will be expressionless, lacking in depth and insight as a people. What we are, in fact, considering leaving to our children is a powerful military legacy untempered by a devotion to grace and beauty.

I am not asking you to make a choice between the security of our Nation and the arts, or between domestic spending and the arts, for I feel that they must each coexist. While we must soberingly remember that our national strength matters, so too must we realize the importance of the spirit which informs and controls that strength. We must have a clear understanding as a nation as to what is so valuable and enviable that it must be diligently preserved and protected. The arts provide that vehicle of understanding.

And if our culture is to be exalted, and the arts are to be the vehicle of exaltation, the political society cannot treat the arts with indifference. By privatizing the arts, we risk diminishing the dignity of the arts, depreciating their importance to human life. Left exposed to the open market, art will become dependent on private demand with its inconsistencies and unpredictability. A nation which disdains the mission of the arts invites that fate of Robert Frost's "hired man," having "nothing to look backward to with pride, and nothing to look forward to with hope."

The preamble of our Constitution entrusts in all of us, as elected representatives of the people, the duty and the responsibility to promote the general welfare, as well as to provide for the common defense. Strong financial support of the National Endowment for the Arts promotes that general welfare.

Created in 1965, the National Endowment for the Arts sought to build a broad base of public support for the arts while also broadening the Nation's cultural base. By its own admission, a primary goal of the National Endowment for the Arts has been to get the arts to the people. Since the inception of the National Endowment for the Arts, dramatic increases have been seen in corporate support of the arts—up 20-fold, the number of tickets sold for dance performance nationwide, up to 16 million per year, and in the number of arts organizations up 700 percent.

The National Endowment for the Arts has also envisioned an active partnership with state and local governments, and with private contributors. And that formula for participation has proven to be a success. For an amount of money which is minuscule in terms of the total Federal budget, the National Endowment for the Arts has shown a remarkable return on our investment. Forty-three of the 56 states and territories in the United States have appropriated more funds for the arts than they receive from the National Endowment for the Arts.

Since 1977, the Challenge Grants program has given out $171 million to 621 arts organizations, which in turn brought in $1 billion in new private and local money. That is a five to one return on our Federal investment in the arts. The Test Program of Support for Local Arts Agencies has generated $27 million of matching local funds from a $6 million Federal investment in the arts.

If indeed the role of the arts in society needs to be justified beyond the wisdom of our investment, then perhaps we should consider artistic expression and the products of National Endowment for the Arts grants as historic documents, chronicling the American way of life.

The arts could also be considered an economic development tool, giving our cities the ability to attract and keep greater levels of corporate investment, encouraging our cities to be self-determining and self-realizing.

I can tell you as the mayor of one city, providing for the welfare of 54,000 citizens, that art is an important tool in promoting our city. In Binghampton, we have a strong ethnic heritage, and dance, and music, and sculpture, and fine architecture, and these forms of art are widely appreciated, because they are what make us unique in this world. They define the character and pride which is Binghampton. And if you talk to mayors across the country, without exception, they will tell you about their cities in terms of their art, and heritage and music. It is what makes them proud.

If you need further justification for the arts, think of them as unique forms of expression, providing us with an effective means to creatively explore new ideas and ideals, to improve ourselves, to improve our communities and our culture, to facilitate our pride.

What has been realized over the past two decades has been that the survival of art institutions, the greater accessibility to arts activities, and the preservation of cultural pluralism is a public good that merits Government support. Through the National Endowment for the Arts that public good is insured.

In 1963, the people of the United States were presented with a vision of America which is just as salient today as it was that day at Amherst College when President Kennedy said "I look forward to a great future for America, a future in which our country will match its military strength with our moral restraint, its wealth with our wisdom, its power with our purpose. I look forward to an America which will not be afraid of grace and beauty, which will protect the beauty of our natural environment, which will preserve the great old houses and squares and parks of our national past, and which will build handsome and balanced cities for our future.

"I look forward to an America which will reward achievement in the arts as we reward achievement in business or statecraft. I look forward to an America which will steadily raise the standards of artistic accomplishment, and which will steadily enlarge cultural opportunities for all our citizens. And I look forward to an America which commends respect throughout the world not only for its strength but for its civilization as well. And I look forward to a world which will be safe not only for democracy, but also for personal distinction."

Thank you very much.

Mr. YATES. Thank you very much. An excellent statement.

Mr. Wingate, you are next. We appreciate your coming in. We know you have to catch a plane at 1 o'clock and you may speak as long as or as short as you wish.

Mr. WINGATE. Thank you.

Mr. YATES. We are pleased to have you here. We are worried about the theater. We keep reading reports about how the number of theaters in the country is diminishing and what tremendous problems you are facing with tremendous financial problems.

Mr. WINGATE. Well, that is accurate and I appreciate your concern. I hope to speak to it.

Mr. YATES. Okay.

Mr. WINGATE. I first would like to bring you warm good wishes from your friend, Gordon Davidson.

Mr. YATES. Thank you. I reciprocate.

Mr. WINGATE. I would also like to leave with you today the Theater Communications Group's latest national survey of the theater field.

Mr. YATES. I read it. I think I got one from Peter and that is what led my comment that the theaters are falling on hard times.

Mr. WINGATE. I come with a mixed message and good new and bad news and let me start with the good news, because it is tough to follow a visionary mayor and I——

Mr. YATES. Not only visionary, but very visible.

Mr. WINGATE. But in fact, we are here to represent that the organizations funded by the National Endowment for the Arts have made astonishingly diverse array of services to our communities, since that is the panel we are speaking to, and to the Nation and primarily in artistic area, artistic experiences for our audiences as well as opportunities for artists to create original material, to speak with fresh voices and to be nurtured, but in addition to that, an enormous array of educational, social and economic benefits to communities in which we reside.

To get a little more specific about that, this year our organization will present a thousand performances on five different stages to over 800,000 actually living, breathing patrons.

Mr. YATES. Living patrons, paying patrons?

Mr. WINGATE. Mostly paying. We also reach out to 40,000 patrons who we don't ask to pay the full price and come to our theater under a series of discount programs for the economically disadvantaged, for the disabled, special programs of accessibility for the hearing impaired, senior citizens, students. Forty thousand people come to our theater under those programs every single year.

Our board of directors work on our stages, our casts and our audiences reflect the melting pot diversity that is Los Angeles and I speak to you as a member of a minority group in Los Angeles. We produced and commissioned a play called Zoot Suit which played in our theater, then moved to a larger one, eventually to Broadway, then to feature film brought 400,000 people to the theater in the Hispanic community, many of whom had never come to a live performance, many of whom never came to the Los Angeles Music Center, which exists for the whole community.

We produced "Children of a Lesser God", which dealt with the barriers, the terrible barriers that exist between mainstream society and the hearing impaired and that raised the consciousness of the audience in Los Angeles, New York, London, recently across the country in regional theater productions and will reach out further in the fall when the major motion picture is released in September.

We produced a play with the distinguished Japanese-American director, written by Phillip Cantano, called "Song for Nisai" which specifically spoke to the Japanese-American community. And those are only a few examples of plays that have emerged from our various new play development activities.

We recently branched out and produced material for television. This past year alone, ABC National Prime Time Movie of the Week, called "Right to Kill," which addressed the issue of the tragedies that can result in child abuse.

Two documentaries which emerged from the Disabled Actors Workshop, which we housed in our rehearsal room for a year, and most recently, we ran a marvelous program on Eleanor Roosevelt shown on PBS in Los Angeles, shortly to be released across the country.

Even more, the building of Los Angeles Music Center in 1964 sparks a reformation of a decrepid downtown essentially ghetto into a gleaming new city and everything that has happened downtown Los Angeles in terms of this redevelopment, stems from that one benchmark, the building of a great arts center.

I also would like to leave with you a fact sheet, which details the ongoing activities that the Center Theatre Group and also the Music Center's activities related to community service. I think that you will find them interesting.

But let me get to the bad news and a lot of it does relate to the communications. Our expenses are increasing a lot faster than our income. That is bottom line, that is including our income from all sorts of things. We are not keeping up. There has been a clear erosion of our ability even to sustain our current levels of activity, much less to move forward to try to fulfill the promises of nonprofit theater which, as you know, is a very young field. It really dates only to 1963, when Peter Sisler and a couple of other pioneers started a theater in Minneapolis that became the Flagship Regional Theater.

Nonprofit theater truly is in its adolescence. We saw in Los Angeles this past year at the Olympics, true brilliance on the stage, brilliant Shakespeare. I am here to tell you that there is not a single theater in this country that can address the great world repertoire theater on the same level with the same degree of consistency of anyone of those foreign companies.

We do have a number of symphony orchestras that can play Beethoven, Brahms, and a world class level but theater is a young field. We have not yet grown to that point and we need to keep growing at a time when——

Mr. YATES. The theater is more ancient than the symphony.

Mr. **Wingate**. Not in this country, not classical theater in this country.

We lack the rehearsal time, we lack the ability to sustain ensembles at reasonable wages, we lack the ability to do plays with cast sizes that are adequate to address the great works of the past, and the danger of that is that our young artists who are asking to create the great works of this decade in this century and to mark our time for posterity, is deprived of the contact with the great work in the past and it is inhibiting great current work. I don't feel any of us in this room will accept merely modest achievements as a goal.

Mr. **Yates**. May I break in and just ask you a question. You mentioned the three theaters who had performed. Are they national theaters of their countries?

Mr. **Wingate**. Actually I don't think of them as a national theater. I may be wrong about that, Congressman.

Mr. **Yates**. I wondered whether or not the financial support they received from the national treasury permitted them to offer the performances on the grand scale you say that you can't compare to?

Mr. **Wingate**. Certainly the support of each of their governments is significantly greater than the support that is received in this country. But it has more to do I think with the tradition and expectations. They don't expect to be able to mount a first class production in a four week rehearsal period. They don't expect to have actors coming in and going because they can't make a living in the theater, which are the conditions that exist in the American theater that we have had to learn to live with.

This is coming at a time when our audiences have been trained to be much more sophisticated than they ever have been. We have had a 25 year history of theaters across this country and our audiences expect more than they are used to. They also have much wider array of options for their leisure time, particularly with the existing array of cable options, with home video. It takes more and more to blast people out of their living rooms and into our theater, and we simply must have the ability to make it essential that they come and that is happening at a point where we are less and less able to do that.

You are going to ask me what can the poor——

Mr. **Yates**. I was going to ask you why and how and maybe you want to amplify your statement, in view of the shortness of time. As you know why that is happening. You mentioned home video as being one thing. People like to stay home and entertain themselves rather than going out to the theater, plus the fact it is cheaper to have a video than to go out and pay theater prices.

And the second question of course is, how may we achieve the kind of result for the theater that you envision, that you say occurs in the case of the three theaters which you named?

Mr. **Wingate**. Well, I think we are getting more sophisticated about how to fund raise, how to market, but we are going to be bumping our heads up against the ceiling. We are pretty close to maximizing those sources of support, I fear, and I am not sure how we are going to progress.

I have a feeling that we are going to end up putting, as we have already in the theater program, putting more eggs in fewer baskets. As you know, we used to fund almost 275 theaters out of our program. Last year, we funded only 185 in an attempt to give more meaningful grants that really made a difference. And those grants do make an enormous difference. Far beyond the mere four percent of our budget. That is the overall statistic because so much of our budget is fixed.

The only thing that is cuttable, the only thing that happens on our stages and in our rehearsal projects, our rent goes on, our insurance costs have tripled, our mailing expenses, our postal rates, have doubled in three years, all those things go on and can't be cut, so what gets cut?

Mr. YATES. I am going to say perhaps we ought to take a lesson from artist Crane, who transferred an opera in Chicago from a nonpaying institution to one that was profitable.

Mr. WINGATE. We are all studying that case. It comes right on the heels of yesterday, some serious budget cutting in my theater by the Finance Committee chairman and agonizing Gordon Davidson.

But as a result of that, the fact that the only variable is the artistic part of the budget—the Endowment Grant actually amounted to ten or fifteen percent of that budget, much more so in many of the smaller theaters. In some of the high quality small budget organizations, the Endowment is providing upward of 50 percent of what it is that you see on the stage. When you talk about cutting another ten or twelve percent, it does get meaningful.

Mr. YATES. You are going to mention the artistic deficit?

Mr. WINGATE. I wasn't going to use that phrase actually.

Mr. YATES. That phrase that is used in the article?

Mr. WINGATE. I figured it would be used by enough people.

Mr. YATES. We don't.

Mr. WINGATE. So, when you are told that the current administration request of the Endowment is adequate to do the job, from the perspective of someone on the firing line, it just ain't so, and I hope you don't buy it and I hope we can provide you with enough ammunition so that you can persuade others not to buy it.

As chairman of the theater panel, I have been agonizing for these years on distributing a very small amount of money to worthy theaters. What I am afraid of in this reduction of theater, I am afraid that we may well be destroying the ability of some young, promising artists to grow into important contributors to our national culture.

The survey indeed clearly flags the deteriorating financial condition of the field. We have the institutional frameworks in place. The skeletons are there, but there is precious little flesh on the bones and I fear that some are starving and I know some have already starved.

Our theaters have no reserves to fall back on and we are now in the third year of a collective deficit position in the theater. We have been losing money collectively in increasing amounts for three years. Some theaters are falling by the wayside. So we plead with you to help us turn back from what I feel is a very perilous point in the history of the American theater to a new era of real promise. I think we can do it, I think we can do it if we are careful and if we are careful that the best continues to get our support.

Mr. YATES. Good.

Thank you for an excellent statement.

Next, we have Mr. Wolff.

Mr. WOLFF. That is correct.

Mr. YATES. From Alabama. Which part of Alabama?

Mr. WOLFF. Birmingham, Alabama.

Mr. YATES. We bring you the regards of Congressman Bevill.

Mr. WOLFF. I had an opportunity to visit with him Monday and shared with him that I would be speaking today.

Mr. YATES. He says he is sorry he can't come but he has a hearing of his own.

Mr. WOLFF. I understand that. I come from another life. When I got out of college, I was a CPA for nine years, then for 13 years or so was a banker. During a period of time in Peoria, Illinois, I was treasurer for three years, president for a fund drive, chairman for one year.

Mr. YATES. Maybe Mr. Wingate should talk to you.

Mr. WOLFF. But I would like to talk about Alabama's Symphony Orchestra and what it is doing and what it can't do and what I would like it to do. It is a basic example. I guess I get frustrated by people saying that the symphony is a luxury, that it is an elitist organization, that it is populated by people with mink coats and tuxes and, therefore, should be paid by them.

I say that on the basis that in January of this year, our Chamber of Commerce met and had a grand announcement that a regional airline was coming into Birmingham and was going to provide a regional hub service for the Birmingham area and the headlines read, 100 people would be coming to Birmingham and its payroll would be $2 million. Our budget is close to $3 million and our payroll is $1,750,000, and we employ approximately 85 people, 72 in the orchestra, a few conductors and the rest are staff. That is good business.

We bring into the economy every year approximately $3 million and if you take the additional rollover effect that could compute to $9 million to $10 million in Birmingham, Alabama, and would certainly make a major impact if we were not there; and in July of 1984, we almost were not.

I would also like to speak about the regional orchestra. I believe we are on the cutting edge of what is happening in symphony orchestras across the country. One person told me it is probably the toughest orchestra to manage, we are too large to depend on volunteers, and we are too small with our monies to have the type of staff we need.

Our orchestra's musicians are, for the most part, asking for larger salaries so that they can have a livable wage. Our base pay for our musicians, who are totally professional, is $17,000 a year, certainly not one in which a person can buy a Porsche or have a swimming pool.

Mr. YATES. They don't compare with the salaries of the members of the orchestra from larger cities?

Mr. WOLFF. Not even close, and in fact, we are probably in the regional orchestras almost at the top of what is being paid by regional orchestras. Many full-time musicians in the regions are paid $9,000 or $10,000 a year.

I would also like to cite a couple of examples of what happened to us as a member of the Birmingham community in the State of Alabama. In October of 1984, the southeast states, together with the Japanese, had a trade meeting in Birmingham, and we were asked to perform in a private performance to represent what is the best in Alabama. In addition, in November of that year, the Department of Tourism and Travel took us to Nashville, Tennessee, to the National Tour Association Conference, to give a performance for 45 minutes. That received three standing ovations.

The National Tourist Association is the tour business brokers from all over North America, approximately 2,000 of them, that make decisions where all the tour buses go. The Department of Tourism and Travel receives such recognition in increased economic benefit to the state that this past year, in November, they chartered an airplane and flew our orchestra to Reno, Nevada, to perform again to the same type of response, and we have already been asked to go to Atlanta, Georgia, next year.

I like to speak on what fabric symphony does to a community in our group. The City of Birmingham gave to our Birmingham educational system, $3 million for an enrichment program. With part of that money, our orchestra members are teaching 500 children in the Birmingham school system, and if you want to see children as Lorin Holladay talked about, with creativity and motivation, when their eyes light up you know their minds are working, you know there is a new excitement that befalls them.

I would also like to mention that in Birmingham, we had the largest Bach festival in the United States in 1985. It received national recognition on CBS Sunday Morning. That would not have been possible without a professional orchestra of 72 musicians. Our city government also underwrites nine Pops concerts provided in the summer as part of our quality of life, and I would be remiss if I didn't mention that all of the churches in Birmingham would be without musicians to perform on Sundays week after week, especially Christmas and Easter.

We also, thanks to Aetna Life and Casualty, have worked with the Philadelphia artists and have provided a program where we go into such places as the family detention center, youth management services, childrens hospital, public housing, to present artists and to explain what a professional musician or a professional artist is.

In addition, we had an exciting thing happen in December of 1985. We were approached by two well known athletes, named Karim Abdul Jabar and Ralph Sampson. They purchased an old hotel in Birmingham and renovated it and as part of the arrangement, gave the land and the hotel to the Symphony Orchestra, with annual payments of $50,000 a year to the Symphony.

Now, we found out that Mr. Jabar's father went to the Juliard School of Music and that his whole life was filled with music and he wanted that to continue. Now, I don't think that was totally eleemosynary, he was coming into the city which he did not know and we have a lot of influential and powerful people that sit on our boards and help the symphony continue. It was a marriage of the private and public sector to continue to make things happen.

Mr. YATES. How did he happen to come to Birmingham? He doesn't play in Birmingham, that is not part of the basketball circuit.

Mr. WOLFF. His investment company was searching out investments. They thought this was one of the best that could be made.

Mr. YATES. In Birmingham?

Mr. WOLFF. Yes. Sir, one day that image is no longer going to be what you thought. That is my other comment. We all know in Birmingham what the image of Birmingham has been since 1963. The Bull Connor or the dogs and we still live that on a day to day basis, but one thing the arts are not, they are not prejudicial, and we have had performances at the leading black 6th Avenue Baptist Church, and we are talking with the city and keeping our fingers crossed that the city will commission an original piece to honor the Martin Luther King holiday next year, together with the National Artists that will celebrate the Martin Luther King holiday.

Now, no one in Birmingham in 1963, with Alabama known as a redneck state, would ever perceive that a symphony orchestra would honor Martin Luther King in Birmingham. We hope that we can pull that off. That is what we are doing. We are excited about it, but we need to have National Endowment for the Arts, we cannot do it without it, I cannot envision us in our programs not having this event sponsored by the National Endowment for the Arts because that puts the tacit mark of approval and our country must move forward with our culture and our arts because that is how we live and breathe.

Thank you for letting me speak.

Mr. YATES. Thank you for a very good statement. I am impressed.

Mr. WOLFF. I would like to submit this on behalf of——

Mr. YATES. That will be made a part of the record.

[The information follows:]

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Testimony Submitted
by the

NATIONAL ASSEMBLY OF LOCAL ARTS AGENCIES

to

The Subcommittee on the Interior
Committee on Appropriations
United States House of Representatives

March 19, 1986

Mr. Chairman and members of the Subcommittee:

The National Assembly of Local Arts Agencies, on behalf of the over 2,000 local arts centers, municipal arts commissions and other local arts agencies in the United States, strongly urges continued and adequate appropriations for the National Endowment for the Arts for FY 87.

The National Endowment for the Arts has become an increasingly important and valued partner in the development and support of local arts agencies as the final link in the federal/state/local partnership of support for the arts in America. Through the development of the Test Program of Support for Local Arts Agencies, direct program grants, and federal support which reaches the local level through the state arts agencies, the National Endowment for the Arts has been a critical catalyst in the development of local arts agencies from one in 1949 to over 2,000 organizations today. This has created access to the arts for far more people than ever had the opportunity previously. Through the local arts agency network, aided by the NEA, support and encouragement for quality arts activities and for art discipline organizations everywhere in our nation has dramatically increased.

The leadership that the National Endowment for the Arts has shown has also had significant financial implications for the arts at the local level. The Test Program of Support for Local Arts Agencies has proven to be a highly successful mechanism for increasing participation in and support for the arts from local government. Over the past three years $6 million has been invested by the NEA at the local level through local arts agencies yet at least $27 million in new local government matching funds has been generated. Of the 150 local arts agencies involved not one has been unable to generate a significant match from new local government sources. For the Round One grantees, local appropriations increased on the average by 95% in the first year of this Test Program. Well over $300 million is now appropriated by local governments annually in support of the arts while private sector donations, individual giving, and earned revenue still represent the bulk of support for the arts locally. At the local level the presence of even a small amount of federal funding for the arts to local arts agencies has consistently and dramatically leveraged many more dollars from these other sources. This dramatic leverage is directly linked to the impact that a federal presence, a federal involvement at the local level, has. State or local resources, while critical, are not a substitute for federal help and responsibility at the local level through the local arts agency mechanism. Most importantly, this means that more high quality art, more excellent visual and performing arts institutions, and more artists are able to thrive and reach more people than ever before.

The significance of the National Endowment for the Arts is clear. Quite simply, this agency has changed and improved the quality of life in our country. The local arts agencies are proud to be a part of and a partner in this change. We look forward to the continuing support of Congress, the ongoing growth of the arts in America, and the increasing participation in the arts of all of our citizens.

Mr. **Yates**. I am impressed with the advancement in the South.

Mr. **Wolff**. We have the Alabama Shakespeare Theater now.

Mr. **Yates**. With a Shakespearean accent or Alabama accent?

Mr. **Wolff**. Well, probably a combination of both, a $21 million complex.

Mr. **Yates**. That should be interesting.

Now we have Ms. Bacon. You are with the Extension Service of the University of Massachusetts.

Ms. **Bacon**. Thank you.

I do not need to make a case for the arts themselves because others have made that case so eloquently, but we all appreciate the arts in our lives, in our communities and in our society. Locally and nationally, the arts preserve, interpret, and communicate our cultural heritage.

It is because we share these values that I urge your strong support for the fiscal year 1987 appropriation for the National Endowment for the Arts.

My organization, the Arts Extension Service in Amherst, Massachusetts, is the local arts agency for the rural Hampshire development service organization, working to increase and enhance opportunities for artists and arts audiences in communities throughout New England.

Our services range from recognizing and promoting the work of talented independent film makers through an annual awards program to assisting crafts people with strategic market planning; from helping communities plan arts festivals, to developing a statewide advocacy network for arts in education programs.

Today I speak on behalf of New England's cultural community and the people and institutions served by over 2,000 local arts agencies nationally.

Within a community, a local arts agency helps create an environment in which the arts can thrive. It is a community organization or an agency of city or county government which primarily provides financial support, services, or other programs for a variety of arts organizations, individual artists and the community as a whole.

Local arts agencies are important because, whether it happens in New York City or Odessa, Texas, all art is locally produced, locally presented, and locally appreciated. Although local arts agencies receive only a miniscule amount of Federal money in their aggregate budgets, they are unanimous in their support for the National Endowment for the Arts because the presence of Federal leadership has far reaching impact on all arts organizations no matter where they are located.

In my own opinion, the importance of the National Endowment for the Arts to local communities is threefold:

First, and foremost, through its commitment to uphold the highest possible standards for excellence, the National Endowment for the Arts supports access to quality arts activities for every citizen.

Second, through its grantmaking programs, the National Endowment for the Arts brings a kind of validation to many local initiatives and, with Federal seed money, stimulates additional support from corporate, private, and local public sources. Much of this money, these Federal dollars now magnified with local funds, is then symphonies and other program areas.

Third, through its ongoing needs assessment activities, the National Endowment for the Arts provides the national arts support for all Americans.

Let me share some examples that illustrate these three points and the impact of Federal funds and National Endowment for the Arts programs at the local level:

One example is the Vermont Symphony Orchestra. For many years, the National Endowment for the Arts has supported the Vermont Symphony. Two years ago, a National Endowment for the Arts grant, matched with state and private funds, helped the symphony, the oldest state symphony in the country, celebrate its 50th birthday with Project 251—a tour that brought symphony ensembles into every town in the state. With strong advance work, the ensembles were greeted by crowds in every community. From this effort, many communities have formed arts committees that have continued to meet and plan cultural activities. The Vermont Council on the Arts, as a result of this one touring program, expects many ongoing local arts agencies to emerge to continue the newborn tradition of presenting excellence in the arts to citizens in each of their diverse communities.

In a second example, Federal support provided through the Massachusetts Council on the Arts and Humanities has helped create Folk Heritage, a special arts in education program in Holyoke, Massachusetts. This three-year project placed four folk singers, a video artist, a poet, a muralist, and a photographer in residence in the city's fourth through sixth grade classrooms. The objective was to integrate folk music, lore and oral history into social studies, language, and arts curriculums.

Since Holyoke is a mill town whose population, once 80 percent Irish, is now black and Puerto Rican, the artists chose to explore Holyoke's own industrial and ethnic heritage. The city then became their classroom and the impact of the program was felt throughout the community. The project has now produced an integrative Folk Heritage curriculum with over 200 tapes. This curriculum will be used throughout the school system. In addition, the project has promoted community-wide interest in its cultural heritage, cross cultural understanding and community pride. Said one school committee member, "Community relations have never been better. This is the best project we have seen in the school system."

A final example. When an energetic musician in Springfield, Massachusetts, wanted to create a community music school in the city's most impoverished neighborhood, he got help from three service organizations—the Arts Extension Service, the National Guild of Community Music Schools, and the National Assembly of Local Arts Agencies, all funded by the National Endowment for the Arts, to provide such assistance. With their guidance, a board of influencial community leaders was recruited, a space in a city facility was secured, the school was incorporated, and $150,000 was raised from local corporations, foundations and private donors.

Only two and a half years later, the Community Music School has provided professional music instruction to over 700 students, 40 percent of whom are black, 15 percent Hispanic, and ten percent senior citizens. Fifty-five percent of the students receive scholorship aid. Currently the school sponsors contemporary music and jazz ensembles that tour in the city schools. They are working on a project that will provide music therapy to 70 special needs students and they are spearheading an effort to create a new art center for the neighborhood.

Today scholarship students who would never have had a chance are being accepted to such institutions as the Hart School of Music. Community Music School Director Eric Bachrach says that without the early help of the service organizations I mentioned before, the school would have never been started.

All these examples illustrate and support the critical role of the National Endowment for the Arts and the Federal Government as partners in arts development. It is through a network of partnerships what the National Endowment For the Arts realizes its goals.

One such partnership, the Test Program of Support for Local Arts Agencies at the National Endowment for the Arts, has proven to be a highly successful mechanism for increasing participation in and support for the arts from local government. Over the past three years $6 million has been invested by the National Endowment for the Arts at the local level, yet at least $27 million in local government matching funds has been generated. Of the 150 local arts agencies involved, not one has been unable to generate a significant match from new local government sources. Well, over $300 million is now appropriated by local governments annually in support of the arts while private sector donations, individual giving, and earned revenue still represent the bulk of support for the arts locally.

In summary, the National Endowment for the Arts is working. If this were 20 years ago, and instead of a hearing this were a meeting to discuss how to best ensure the continued growth of the arts in this country, we would be recreating the National Endowment for the Arts. The Endowment makes possible programs of artistic excellence and stimulates arts participation in every corner of this country. Continued support for the National Endowment for the Arts is imperative if this excellence, available to everyone, is to be a reality in America.

The National Endowment for the Arts must be there for those future great artists who have not yet had the opportunity to realize their creative and economic potential; for the cities and towns that have not yet tapped the vital resources of the arts to enhance the quality of life in their communities; and for those citizens, young and old, who have not yet experienced the magic and majesty of the arts.

These people, your constituents, need and deserve the benefit from the continued leadership of the National Endowment for the Arts.

I thank you for this opportunity.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE ARTS

THE CRITICAL NATURE OF THE FEDERAL ROLE IN MAINTAINING A BALANCE OF PUBLIC AND PRIVATE MONEYS

WITNESSES

ARDIS KRAINIK, GENERAL MANAGER, LYRIC OPERA OF CHICAGO
JOANNE KOHN, CHAIRMAN, MISSOURI ARTS COUNCIL
HARRY S. PARKER III, DIRECTOR, DALLAS MUSEUM OF FINE ARTS

Mr. YATES. Thank you. Thank you for your excellent statements. I appreciate your coming in from Binghamton.

Now we have the last morning panel: Ms. Krainik, Ms. Kohn and Mr. Parker. Come to the table. I will be right back.

[Recess.]

Mr. YATES. Ardis, we are glad to have you. As you can see, you are the focus of attention for a lot of people because of the wonderful job you have done with the Lyric Opera. You are going to address the subject of the critical nature of the Federal role in maintaining the balance of public and private moneys. If you want to do that, we will be glad to hear that.

Ms. KRAINIK. I am honored to be here. This is a conglomerate effort. Just a few months ago, I enjoyed the heady experience of having my photograph in Time Magazine, and I am sure you know that is every girl's dream. I also enjoyed reading the distinguished music critic's assertion my opera company is setting the example for companies all over America.

I have learned a lot in my five years as general manager of the Lyric Opera. One thing is very clear to me. In order to get your name and photo in Time Magazine, in order to have your opera touted as a leader in America, you must have first artistic excellence; second, fiscal responsibility; and, third, lots of money. For the quality and artistic excellence of your product, world class grand opera is directly proportional to the amount of money you have to spend on it, and that is why I am here today to talk about money, to speak on behalf of not just Lyric Opera of Chicago but every opera company in America, to speak of our needs and our desires.

I am happy to be here again today participating in hearings and sessions concerning our Government assistance with regard to the arts, to try to avert the potential damage to our various nonprofit entities' well-being posed by our Government's inextricable drive toward economy while hoping for legislative counterpoint that might mitigate that blow.

All hail the House Appropriations Committee and its indefatigable chairman St. George—or should I say St. Sidney—who has once again, and time and again, arisen to slay our dragons for us.

Now once more into the breach, dear friends, I have only recently returned from an International Congress in Paris on creativity in the arts. First they talk about the state of the art, and then they talked about the $400 million opera house they are building called "La Bastille. My mouth watered when I heard about that.

Anyway, there were 50 people invited to talk about the future of opera, from France, Germany and Switzerland, Italy and England. I was only one of four Americans. I learned a lot and hopefully contributed something, and I have one particular observation I would like to share with you.

I was struck by the fact my European colleagues had a decidedly condescending attitude toward opera and the arts in America, and thinking about it, I understand why. You know, my friends, all of you hear, "America may be the leader in science and technology and production, in industry and in agriculture, but we are the Johnny-come-lately in the arts." There are 65 opera houses in Germany in operation 12 months out of the year. In the United States, while we have 101 opera companies that qualify as either professional or core opera companies, we have only one, the Metropolitan Opera, which gives American artists a full 52 weeks employment.

By the way, the German opera houses have 30 percent of their artists and rosters filled with American artists, which I think is an interesting point. The difference, of course, between Europe and America, as everyone in this room knows, is arts are subsidized fully by the government. I am not suggesting that we do that, although I will have to admit it might be nice. I am suggesting, however, that the Government pay more attention to the arts and fund them in a more significant fashion than they have for many reasons, one of which is I don't like to see America being condescended to by the Germans, the English, the French, the Italians, the Russians in anything. I like America to be ahead of the pack, to be the best in everything, including the arts.

And with more tender loving care from our Government, we can indeed be that and still maintain a balanced budget. You know that I know about balanced budgets. The idea that the arts are only for the elite dies harder, but it is nonetheless on its last legs by this time because people have realized the lady who buys a $10 seat in the balcony doesn't wear a mink coat. Lyric Opera alone—not to mention the Met or San Francisco or City Opera, through its live performances, its local and national radio broadcasts and its national telecasts—reaches millions of Americans every year.

During these two past decades, all of the performing art disciplines in our society have undergone an incredible revolution of increasing attendance, an unprecedented proliferation of new arts-producing organizations, a veritable boon in the construction of auditoriums, concert halls and playhouses, all accompanied by a phenomenal positive economic impact in cities and towns across the country.

For example, Lyric Opera of Chicago plays ten times as many performances of each opera as its so-called Golden Age predecessor opera companies did, and Lyric's performances sell out regularly in a 3600-seat auditorium. We added an entire month to our season this year, and we have already announced another expansion for next season. We are a hot bed of activity and creativity.

And speaking of creativity, on June 6th, we will be presenting the world premiere of a new opera by our resident composer, William Neal, and you are all invited. And it is not just Lyric, from sea to shining sea, we of the arts are pursuing and achieving that excellence to which we aspire. Not that we are not in trouble sometimes, but we are moving forward. We are an indispensable ingredient of that quality of life, which Americans are so proud of. We inform, we entertain, we inspire, we exalt, we are glamorous, and glorious.

And despite a colossal indifference to us on the part of some uninformed people, we have persisted and, yes, are to be contended with. David Stockman found that out when he tried to eliminate our ADA six years ago and suddenly realized that he had an aroused and articulate tiger by the tail. The NEA has been the beach head of the arts in our society, the beach head from which we have successfully invaded and elevated the consciousness of millions.

We need the NEA with its determination to reward artistic excellence. We need all of the NEA's major programs, the challenge grants and in opera the new American works grants, the special project and service to the arts grants and, most especially, professional companies grants to institutions. Institutions must be the first priority in NEA funding, because they give the solid and necessary foundation through which creativity can emerge and bloom.

We need assistance from our state and municipal art agencies, we need all of the private sector's components, the individual contributor, and the corporate contributor, and the foundation contributor. All of whose contributions are stimulated and triggered by the seal of good housekeeping that a NEA grant signifies. As a NEA panelist for three years and as chairman of two of these panels, I would like to testify personally to the excellence of the staff, the panels and the programs of the NEA.

I would also like to testify, I would like there to be more money to distribute. I would also like to speak on behalf of, Lyric Opera is a recipient of National Endowment funds and how much they mean to us. Our $25 million capital campaign, called the Great Opera Fund, designed to insure Lyric Opera's future and underpin its expansion, was launched by a challenge grant from the NEA. After one year of solicitation, we are more than half way toward our goal, $13 million so far. The composer in residence program, which I mentioned before and which is the first of its kind in America Opera, was funded by the National Endowment for the Arts.

Lyric Opera's Center for American Artists and its American intern program are funded by the NEA, and I would be remiss if I didn't mention the vitally important fact that our overall season's artistic activity is undergirded by an annual professional company's grant. Without this grant, Lyric Opera would have to cut back on its artistic programs and, thus, diminish its artistic excellence and maybe not get in Time Magazine.

On another subject, our Government must understand that it simply cannot tell the private sector that it must take over an increasing responsibility for the financial support of the arts, while at the same time fostering tax policies which diminish the private sector's capability of acquitting that responsibility. Nonitemizers must be allowed to take a 100 percent deduction for their contributions, and no tradeoffs. Donors of property with appreciated value should be allowed to gain the full tax benefit of that appreciation, and we need the Government's understanding that the constant assault on our third-class mailing privileges and the sharp rises in not-for-profit postal charges are punishing body blows to the arts, perhaps most important, ongoing subsidy which Government gives the nonprofit arts is special nonprofit mailing status, and the low rates that have accompanied it.

The audience development revolution, of which I spoke a few moments ago, was largely made possible by that special privilege and those low rates.

Tax policies which encourage contribution, not discourage it, the continuation of third-class postal privilege and the favorable rates, increased support of the NEA, these are really the only thing, for we need every element of the private sector, too. By its very nature, grand opera is expensive to produce, for it is indeed a collective of all the arts and is, therefore, subject to all of their deficits combined. Our Lyric Opera has the reputation of being one of the most stable organizations of its kind in the western world, including countries where government subsidies run 20 times more than our vastly underfunded NEA is able to provide.

Yet I do not kid myself, all of us in the arts hang by the same fragile economic thread. We exist now in a delicate balance of earned income from ticket sales and other income from contributed support. We should, by all we profess ideologically, have more tickets available at lower prices. But alas, we cannot. We are forced by the cruel fact of economics to charge more and more for our tickets.

The answer, of course, would be much greater Government support. Perhaps unlikely at this time and even less likely given the reality of Gramm-Rudman, that leaves us with the hope that the private sector will give more than in the past, and this makes it all the more imperative that Government, if it won't or can't do more for us, at least not inhibit the private individual, the corporation and the foundation through its tax policies.

So, in closing, I say, heaven bless Sidney Yates and the House Appropriations Committee, heaven bless the NEA, and heaven bless the Government, too. For I am a person of deep faith in the triumph of good, and I have faith that our Government, which is after all a reflection of ourselves, will eventually see the light and do what is right for the arts. We just have to continually point out to them what is right and why, and we cheerfully accept the challenge.

Mr. Yates. Thank you, Ardis, for an excellent statement. That was wonderful.

[The statement of Ardis Krainik follows:]

Testimony by Ardis Krainik, General Manager of Lyric Opera of Chicago, for Sidney Yates House Appropriations Committee

Just a few months ago, I enjoyed the heady experience of having my picture in TIME magazine, and of reading its distinguished music critic's assertion that my opera company is "setting the example for companies all over America". I've learned a lot in my five years as general manager of the Lyric Opera of Chicago. One thing is very clear to me. In order to get your name and photo in TIME, in order to have your opera company touted as a leader in America you must have (1) artistic excellence, (2) fiscal responsibility, and (3) lots of money, for the quality and artistic excellence of your product in a world-class grand opera company is directly proportional to the amount of money you have to spend on it. And that's why I'm here today; to talk about money; to speak on behalf of not just Lyric Opera but every opera company in America—to speak of our needs, our desires and our deserving. I am happy to be here today, participating once again in hearings and sessions concerning our government's stance with regard to the arts—to try to avert the potential damage to our various non-profit entities' well-being posed by our government's inexhorable drive toward economy, while hoping for legislative counter-point that might mitigate the blow. All hail the House Appropriations Committee and its indefatigable chairman, St. George, or should I say St. Sidney, who has time and again arisen to slay our dragons for us. And now, "once more into the breach, dear friends"!

I have only recently from an international congress in Paris on creativity in the arts. There were 50 people invited to talk about the future of opera, from France, Germany, Italy, Switzerland, and England. I was one of only four Americans. I learned a lot. I hope I contributed something. And I have one interesting observation I'd like to share with you. I was struck by the fact that my European colleagues had a somewhat condescending attitude toward opera and the arts in America; and thinking about it, I understand why. You know, my friends, America may be the leader in science in technology, in production, in industry, in agriculture, but we're the Johnny-come-lately in the arts. There are 65 opera houses in Germany in operation 12 months out of the year. In the U.S. we have only 1, the Metropolitan, which gives American artists a full 52 weeks employment. The difference of course, as everyone in this room knows, is that in Europe the arts are subsidized fully by the government. I'm not suggesting that we do that, although I'll have to admit it might be nice. I am suggesting, however, that the government pay more attention to the arts, and fund them in a more significant fashion than they have, for many reasons, one of which is that I don't like to see America being condescended to by the Germans, the English, the French, the Italians, the Russians in anything. I like America to be ahead of the pack, to be the best in everything, including the arts. And with more tender care from our government, we can indeed be that—and still maintain a balanced budget.

The idea that the arts are only for the elite dies hard here, but it is nonetheless on its last legs by this time. Lyric Opera alone, through its live performances, its local and national radio broadcasts and its national telecasts reaches millions of Americans every year. During these past few decades, all of the performing arts disciplines in our society have undergone an incredible revolution of increasing attendance, an unprecedented proliferation of new arts-producing organizations, a veritable boom in the construction of auditoria, concert halls and playhouses, all accompanied by a phenomenal positive economic impact in cities and towns across the country. For example, Lyric Opera of Chicago plays ten times as many performances of each opera as its so-called golden-age predecessor opera companies did, and Lyric's performances sell-out regularly in a 3,600 seat auditorium. We added an entire month to our season this year, and we've already announced another expansion for next season. We're a hot bed of activity and creativity. And speaking of creativity, on June 6th we'll be presenting the world-premiere of a new American opera by our resident composer, William Neil, as a special between-seasons project. And you're all invited! And it's not just Lyric. From sea to shining sea, we of the arts are pursuing and achieving that excellence to which we aspire. We are an indispensable ingredient of that quality of life which Americans are so proud of. We inform, we entertain, we inspire, we exalt! We are glamorous and glorious! And despite a colossal indifference to us on the part of some uninformed people, we have persisted, and yes, are to be contended with. David Stockman found that out when he tried to eliminate our N.E.A. 6 years ago and suddenly realized he had an aroused and articulate tiger by the tail. The N.E.A. has been the beach-head of the arts in our society—the beach-head from which we have successfully invaded and elevated the consciousness of millions.

We need the N.E.A. with its determination to reward artistic excellence. We need all of the N.E.A.'s major programs: the Challenge Grants, the New American Works Grants, the Special Projects and Service to the Arts Grants—and most especially Professional Companies Grants to institutions. Institutions must be the first priority in N.E.A. funding because they give the solid and necessary foundation through which creativity can emerge and bloom. We need assistance from our state and municipal arts agencies. We need all of the private sector's components: the individual contributor, the corporate contributor, the foundation contributor, all of whose contributions are stimulated and triggered by the "Seal of Good Housekeeping" that an N.E.A. grant signifies.

As an N.E.A. panelist for 3 years, and as chairman of 2 of these panels, I would like to testify personally to the excellence of the staff, the panels, and the programs of the N.E.A. I would also like to speak on behalf of Lyric Opera as a recipient of

National Endowment funds and how much they mean to us. Our $25,000,000 capital campaign, called the Great Opera Fund designed to insure Lyric Opera's future and underpin its expansion, was launched by a Challenge Grant from the N.E.A. After 1 year of solicitation, we are more than half way toward our goal. The composer-in-residence program, which I mentioned before, and which is a first of its kind in American opera, was funded by the National Endowment for the Arts. Lyric Opera's Center for American Artists and its American Intern Program are funded by the N.E.A. and I would be remiss if I didn't mention the vitally important fact that our overall season's artistic activity is undergirded by an annual professional companies grant from the National Endowment for the Arts. Without this grant, Lyric Opera would have to cut back on its artistic programs and thus diminish its artistic excellence.

On another subject, our government must understand that it simply cannot tell the private sector that it must take over an increasing responsibility for the financial support of the arts, while at the same time fostering tax policies which diminish the private sector's capability of acquitting that responsibility. "Non-itemizers" must be allowed to take a 100% deduction for their contributions; donors of property with appreciated value should be allowed to gain the full tax-benefit of that appreciation. We need the government's understanding that the constant assault on our third-class mailing privileges, and the sharp rises in not-for-profit postage charges are terribly punishing body blows to the arts. Perhaps the most important on-going subsidy which government gives the non-profit arts is special non-profit mailing status, and the low rates that have accompanied it. The audience development revolution of which I spoke a few minutes ago was largely made possible by that special privilege and those low rates.

Tax policies which encourage contribution, not discourage it, the continuation of third-class postal privilege, and the favorable rates, increased support of the N.E.A.—these are really only the beginning, for we need every element of the private sector, too! By its very nature, it is expensive to produce grand opera for it is indeed a collective of all of the arts, and is, therefore, subject to all of their deficits combined. Our Lyric Opera has the reputation of being one of the most stable organizations of its kind in the Western World, including countries where government subsidies run 10 to 20 times as much as our vastly under-funded N.E.A. is able to provide. Yet, I do not kid myself. All of us in the arts hang by the same fragile economic thread. We exist now in a delicate balance of earned income from ticket sales and other income from contributed support. We should, by all we profess ideologically, have more tickets available at lower prices. But, alas, we cannot: we are forced by the cruel fact of economics to charge more and more for our tickets. The answer, of course, would be much greater government support, highly unlikely at this time, and even less likely given the reality of Gramm-Rudman. That leaves us with the hope that the private sector will give more than in the past, and this makes it all the more imperative that government—if it won't or can't do more for us—at least not inhibit the private individual, the corporation, and the foundation through its tax policies.

So, in closing, I say "heaven bless Sidney Yates and his House Appropriations Committee; heaven bless the National Endowment for the arts, and heaven bless the government, too. For I am a person of deep faith in the triumph of good, and I have faith that our government, which is, after all, a reflection of ourselves, will eventually see the light and do what's right for the arts. We just have to continually point out to them what is right, and why—and we cheerfully accept that challenge.

Mr. YATES. Ms. Kohn. You are from Missouri.

Ms. KOHN. Thank you. It is my privilege to be here. I am Jeanne Kohn, and I am chairman of the Missouri Arts Council.

I want to talk to you today about the National Endowment's program, the folk arts apprenticeship program and how it works in Missouri.

The program was started in fiscal year 1985 and designed to preserve and to perpetuate the state's traditional arts by providing funds for master artists to pass along their skills to apprentices. Traditional arts are those that are handed down orally from generation to generation and include such artistic endeavors as music, crafts, stories and dance. They have their origins in specific ethnic roots or in specific geographical regions or communities and are now practiced primarily in rural areas. Some of these traditions are centuries old.

For example, a medieval wood joiner could walk into James Price's woodworking shop in Naylor, Missouri, and know how to use his tools. The participants are for the most part elderly, several masters are in their 70s and 80s. They each have their own style and their own repertoire, which cannot be learned through a book. Indeed, while classical and popular artistic forms have been taught through schools and universities, folk arts have been taught through families and friends.

Fiddling is certainly one of the most popular of our traditional arts in Missouri. There are now over 300 fiddlers representing many different styles and repertoires. Delbert Spraigh from Cohoca, Missouri, learned to fiddle from his father who knew more than 1,500 tunes, many of which now are lost. Fiddling came to the United States 200 years ago, mainly from the traditional dance music of England, Scotland and Ireland, where it was performed on the bagpipes or the fiddle. This music has since evolved by regions and by numerous culture influences in Missouri, particularly through black and German influences, so it has become our own product.

The program has also brought families back together again. Hearing of the National Endowment program, Ron Westphal, a coal mine superintendent from Higby, Missouri, applied for an apprenticeship with his aunt, who is a third-generation basket maker. His father had already died, so he lost the opportunity to learn from him. He decided he wanted to learn his family's unique style of basketry, so he could pass those skills onto his own son. The National Endowment, in partnership with the Missouri Arts Council, is making this possible.

Before fiscal year 1985, there was no statewide program to preserve folk art in Missouri. While the Missouri Cultural Heritage Center at the University of Missouri in Columbia had collected and catalogued traditional master artists and told us, for example there were indeed 300 fiddlers in Missouri, no money was available for and no thought had been given to the creation of a program enabling these master artists to pass their skills onto a new generation.

The National Endowment for the Arts realized the need to preserve this national heritage and took a leadership role in creating the folk arts apprenticeship program. In fiscal year 1985, the Endowment provided $10,000 for Missouri, which the state matched, to create a program by which master artists, such as fiddlers, button-box accordianists, basket makers, rug and basket weavers were matched with surrogate sons and daughters and grandchildren who were willing and able to learn these skills themselves.

The masters and apprentices were chosen by a statewide panel of experts which judged the skills and repertoires of the masters with special attention given to the traditional authenticity. Apprentices were rated for their artistic proficiency and eagerness to learn.

The program was successful. During the first year, 12 apprenticeships were funded, 14 two-hour sessions were held for each apprenticeship. The master received a stipend for his time plus expenses for materials, and the apprentice received travel expenses but was not charged for the lessons.

For fiscal year 1986, the National Endowment offered Missouri $14,600, which again was accepted and matched. In the second year, the program was even more popular, more successful, but there were funds for only a limited number of apprenticeships.

The threat to the traditional arts has been modern entertainment, such as TV, which diverts family energy, the automobile, which has meant access to diversions in jobs away from home, technology, which has led to an abundance of mass produced goods and the creation of new sterophonic sounds as well as the movement by many younger people to urban settings. This threat is being addressed because the National Endowment had the wisdom to provide states with the opportunity to participate in the folk arts apprenticeship program.

For the coming year, fiscal year 1987, the Missouri Arts Council has applied to the Endowment for $30,000, which Missouri proposes to manage.

Last year, only 25 out of 150 applicants could be involved, because of fiscal restraints. In addition to artists waiting to get into the program, there are genres, such as dance, story telling and ethnic cultures that have not yet been involved. The National Endowment has not only created the idea and provided the seed money for the folk arts apprenticeship program, it has also provided guidelines which have helped the state identify the best qualified participants and to evaluate the success of the program. Because of the Endowment, our cultural heritage and communal values are being preserved.

As the Bald Eagle is threatened with extinction, so are master artists. Without the Federal inducement provided by the National Endowment, the folk arts apprenticeship program would not exist and a great cultural resource would be lost. The National Endowment for the Arts' creativity and financial support is helping this country save its cultural heritage for future generations.

The Missouri Arts Council is grateful, and we look forward to a continued partnership with the National Endowment for the continued growth and development of the folk arts apprenticeship program.

Thank you very much for letting us speak to you.

Mr. YATES. Thank you for an interesting statement. Now we have Mr. Parker of the Dallas Museum.

Mr. PARKER. Chairman Yates, I hope you are going to let me tolerate a little bragging about Dallas.

Mr. YATES. We expect it from Texas.

Mr. PARKER. But I think you have to put in perspective where Dallas was 25 years ago and think of the lack of cultural institutions at that time.

Mr. YATES. It was limited to the Alamo.

Mr. PARKER. That is a couple hundred miles south. It has mainly happened in the last ten years, and it is one of the great American stories, I think, how the institutions have come into being.

In that period, we have built a new town hall, public library, built the arena, built the art museum and symphony hall, and the method of funding has been unconventional. It has been a combination of private funds and public bond issues. I think this is almost unique in this country for a major city to put to a public vote the proposition that the voter wants to build an art museum or symphony hall.

Mr. **Yates**. Were those squeaked or overwhelmingly passed?

Mr. **Parker**. The library went quite well in the middle 1970s, 1976. The art museum was put up and lost. We were turned down by the public, 55 percent against and 45 percent for on a voter turnout of maybe 75,000 votes. That was in June of 1978. We worked very hard and used a lot of basic political methods to put that to another vote in the fall of 1979 and managed to flip-flop the vote. We got 55 percent pro and a higher turnout, about 110,000 voters. It is a testament maybe to techniques of communicating with the public what an art museum is all about.

But more important than that, it is really a remarkable thing in the United States, you can go into the privacy of a voting booth and decide that is what you want. The public put in about $25 million, the private sector raised a matching $25 million. Gifts of works of art in tens of millions of dollars were promised conditional upon this passing and the whole package ended up with a $100 million facility in downtown Dallas that we are very proud of and would love to have you come see.

Mr. **Yates**. Did you get the collections?

Mr. **Parker**. The collections are coming. We keep a count for the City Council. We are up to about $30 million worth of contributed art since the date of the bond issue. So these things do stimulate, and all of this is a local funding story, and I thought it would be of some interest to you to maybe put in perspective what has been happening locally with public participation, grass roots support and what the Federal funding was, because I can tell you right off the bat, the local scene was a heck of a lot more important than the Federal scene in accomplishing the capital.

Federal funding entered into some keen moments in the mid-1970s. In 1975, we received a first grant, challenge grant, in the amount of $75,000, which was pip-squeak compared to most of the challenge grants given in the first round. We had to match it two-to-one and did so with great ease, and it was a tremendous way to prove to our city leaders that we could generate matching funds based on a public commitment. So that concept, even though the dollars involved were very modest, was the sort of prototype for the ultimate funding formula that was used in Dallas.

I still think challenge grants are the number one program the Federal Government participates in. More currently, to give you an example of what is happening, there is an exhibition, Treasury of San Marco, that left Chicago about a month ago and opened in Dallas about two weeks ago, and this is an extraordinary exhibition, and I hope you saw it.

Mr. **Yates**. I didn't.

Mr. **Parker**. It is the medieval treasurers of the cathedral in Venice. These are fantastic things, they are mainly fourth, fifth and sixth century objects that were often fitted in gold mounts and so forth in the tenth and eleventh century and have been in the treasury there in Venice for a thousand years. They let them go on the road, and the only way that exhibition traveled to the United

States was because of the indemnification program. The insurance values are just incalculable, and it went to New York, Los Angeles, Chicago and Dallas.

Mr. **YATES**. How do you know what the value of one piece of these objects is?

Mr. **PARKER**. You don't. It is an arbitrary sum, totally irreplaceable.

The other example to me is an even more exciting one, because it is something that would only happen because of the National Endowment for the Arts, and that is you build a facility like Dallas, it is all wonderful, you can do something like that locally, but it doesn't yet evidence creativity, and it is a much harder thing to fund creativity than it is bricks and mortar. Having our facility there, we, in turn, put our interests on bidding on institutions capable of organizing rather than just receiving traveling road shows. I was very proud the Endowment chose to bring back an exhibition of a well-known work, Naum Gabo, and that show started in Dallas, managed by corporate funds, went to Toronto, is now at the Guggenheim in New York and will go to the Tate in London. For Dallas to be capable of organizing a show in London——

Mr. **YATES**. A foreigner.

Mr. **PARKER**. A Russian to boot. There are a few things I want to say about Endowment funding that doesn't get noticed enough. One is the Federal funding fights provincialism.

However, you have no idea, as you sit around museums spread throughout this country, the significance of the National Endowment imprimatur, whatever you want to discuss. It is also the challenge which it presents to the directors and curators of these museums to come up with thinking thoroughly in sync with what is going on in New York, Chicago, what have you. The standards are national, they are thrashed out in a room with ten people sitting there who trust each other and are not going to let something shoddy slip through.

That is, one of the best things about it is that it has elevated the national standards. It forces public accountability. You really, when these projects come to Dallas, or our Congressman comes to see the show and see the National Endowment on it, he wants to know how many people are coming to the show, what are we doing to promote it, to explain it, to communicate to the people coming to it and the fact that it has Federal funds means that everybody wants to know what the value is in a societal sense. And I think that is one of the great things about the National Endowment.

The other thing, it really has been used as a tool to stimulate straight thinking. The obligation to propose these projects in very formalized ways and to prepare contracts, to execute them and submit budgets that are highly detailed has forced straight thinking on the arts institutions that didn't use to exist, so that the whole system has worked much to the benefit of the arts field.

Mr. **YATES**. Perhaps I am being provincial about this, but I can understand how your Dallas Museum would accept the treasures of San Marco. I am not so sure about Naum Gabo. Are they bringing contemporary art or the old masters?

Mr. **PARKER**. The smart collectors are focusing on the 20th century and a guy like Gabo is of tremendous influence. We have, in

Dallas, for instance, the foremost collection of Dutch constructivism painting in America, a wonderful fellow who has two Modrians.

Mr. **Yates**. He gave that to you?

Mr. **Parker**. We are in the process. It is slowly coming.

Mr. **Yates**. Year by year?

Mr. **Parker**. Year by year. Why not?

Mr. **Yates**. That is understandable.

Mr. **Parker**. I consider the taste of Texas very diverse and very sophisticated.

Mr. **Yates**. Where are the eyes of Texas?

Mr. **Parker**. The eyes of Texas are somewhere in the middle of Cowboy Stadium.

Mr. **Yates**. What crowds do you get there?

Mr. **Parker**. Last week, 15,000 people came to the museum.

Mr. **Yates**. To see what?

Mr. **Parker**. They came to see San Marco, which is on exhibit, and the Court Life, which is the painting—this is National Endowment and the Humanities project. Boston Museum initiated the show.

Mr. **Yates**. Well, more power to you. You have an educational job there.

Mr. **Parker**. A majority of the voters spoke for the museum.

Mr. **Yates**. That is right. It is kind of like passing the boards. If at first you don't succeed, you go after it a second time. I am glad that it did work. You have got so many millionaires down there—I don't know whether there are still millionaires after the fall in oil prices. The Basses, the Mercharts and all those people. Are they contributing?

Mr. **Parker**. The Mercharts are, Fort Worth.

Mr. **Yates**. Is there a Fort Worth Museum?

Mr. **Parker**. Yes. There are three terrific art museums in Fort Worth.

Mr. **Yates**. Is there competition between you, as there is over the airport?

Mr. **Parker**. No, I would say in the last ten years, the Dallas-Fort Worth area has come together. There is a little competition with Houston.

As the last person on the program this morning, could I just add what I think everybody who has been here wanted to convey to you, and we have all tried, is that we do realize the last few years it has not been easy to protect these funds. I hope that you realize this whole art community knows it took a lot of zeal and a lot of belief in the basic cause, and we feel Federal funds, although they aren't a real major element in our funding picture percentagewise, that so often they are protecting the edge, the cut, the sharpness, really the best parts of our distinction, so you have to keep on going.

Mr. **Yates**. They show a national purpose, I think, and a national support, which is necessary in order to attract the private support. I think that was made several times this morning, and I think it is a very important thing. I think in Dallas, even though they may criticize some aspects of the Federal Government occasionally, we get the impression many of your Texans are like that. Still, they like to have the imprimatur, or the seal of good housekeeping, the knowledge that experts, at least—and there are experts in the Federal level who are saying to you "We will join with you in this kind of a thing." They like that kind of a partnership. I think it is good.

What are your theaters doing in Dallas? A fellow here was speaking about there isn't enough support for theaters in Dallas. Are you supporting theaters in Dallas?

Mr. PARKER. We have added 12 new theaters.

Mr. YATES. You have a renaissance of the arts in Dallas.

Mr. PARKER. Very definitely. And funded by popular mandate. Our home is in the $25 million draft—you might say where are those millionaires? Do they come in with $15 million or $20 million? Out of 1500 donors, the highest single gift was in the amount of $2 million. All the rest of the gifts were down from that. Interest in the arts is very good.

What is happening, you are getting an increasingly educated populous, they are moving to these centers and asking for the arts, and the average Dallas Texan is educated, motivated, interested——

Mr. YATES. Suppose you were to get a show like the show at the National Gallery, the impressionist show, do you think they would come to that?

Mr. PARKER. Oh, yes.

Mr. YATES. Is there a chance of your getting a show like that?

Mr. PARKER. It is committed to San Francisco. We work with the Gallery on other projects.

Mr. YATES. I would love to see those shows like that go down to Texas, I think it would help. I think it would help the country and help Texas. I am not being snide, I just think the benefits of the arts are intended to go throughout the country, and I would love to see them—I wish Mr. Loeffler was here——

Mr. PARKER. I wish Carter Brown was here.

Mr. YATES. Sometimes members of Congress tend to be chauvinistic, and I know how proud he is of Texas and what comes down there, and I can see that you are proud of Texas and Dallas.

Mr. PARKER. The state funding in Texas has about fallen on its nose because of the oil decline, but in the last ten years, state allocation has grown from about $3,000 to $200,000 this past year.

Mr. YATES. That is very significant. Do you have an opera down there too?

Mr. PARKER. Oh, yes.

Ms. KRAINIK. Do they ever.

Mr. YATES. How is it, Ardis? Is it a good one?

Ms. KRAINIK. Yes, it is very good.

Mr. YATES. Thank you all for coming in. I appreciate your coming in.

AFTERNOON SESSION

Mr. YATES. Mr. Fannon's statement may go into the record.

[The statement of Mr. Fannon's follows:]

Testimony
of
Peter M. Fannon, President
National Association of Public Television Stations

before the

Subcommittee on Interior and Related Agencies

Committee on Appropriations
U.S. House of Representatives

March 19, 1986

Summary

The nation's public television stations strongly support the missions of the National Endowments for the Arts and Humanities and urge the maximum feasible levels of federal support be made available to them in fiscal year 1987. We wish to recommend specifically that both Endowments' funds for media projects continue to be funded at higher levels which will provide effective and efficient use of Endowment money. The funds continue to be essential to public television's program pipeline. We also wish to go on record in support of the continuation of the Challenge Grant programs in both Endowments.

Introduction

In spite of, or perhaps in response to, recent fiscal crises, this Subcommittee and its Chairman have recognized the great importance of maintaining the federal government's commitment - through support of the two Endowments - to preserving our nation's heritage, educating all our citizens, and promoting the work of our nation's many and varied artists and scholars through their support of the two Endowments. The nation's public television stations share this commitment and make it part of their mission. We are deeply grateful for your unswerving support.

Last year's House Interior Appropriations bill earmarked $1.5 million over the fiscal 1985 level for grants for public television programming from the National Endowment for the Arts, and a one half million dollar increase for public television programming from the National Endowment for the Humanities. Our stations and other program producers appreciate the support of this subcommittee in recommending this increase in funds.

In their relatively short but luminous history the Endowments have done more than provide modest support to our nation's artists, scholars, and teachers; they have helped place a foundation on which cultural organizations large and small can seek private and corporate support to fulfill their mission to share and celebrate this country's tremendous creative genius.

Public Television's Role in the Arts and Humanities

Public television has continuously provided access to this grand celebration -- to culture, to history, to popular and scholarly discourse, and to the performing arts -- for nearly the entire American population. Some 97% of the homes in America can receive a free public television signal, and nearly 50% of them tune in public television for several hours per week. In terms of race, education, and income level, our audience mirrors the nation as a whole. A disproportionate share of our viewers is over 50 years of age and not in the work force, leading to the conclusion that our programming may be providing one of the only glimpses of culture to elderly, disabled, or low income Americans.

While there can be no substitute for attendance at a live arts performance, public television programming can serve as an important introduction and enticement to the performing arts. In the words of National Endowment for the Arts Chairman Frank Hodsoll, quoted in the February 6, 1986, New York Times, "It is important to reach more people through our television programming in general. In a 1982 survey 61 percent of American adults said they have not attended, even once, a live performance of jazz or classical music or theater or opera or ballet, nor visited an art gallery or museum. We have got to reach out to these people -- we need to do more in this area even with a reduced budget."

The early, important commitment of funds by the NEA to public television's performance series has enabled them to attract steady, prominent corporate underwriting commitments. These commitments will make possible later this year such productions as Die Fledermaus, Boris Godunov, Turandot, and a gala concert featuring Joan Sutherland and Luciano Pavarotti on "Live from the Met". Highlights of this year's schedule from "Live from Lincoln Center" include performances by Isaac Stern and Itzhak Perlman with Zubin Mehta.

Studies have shown that television does not replace live arts attendance; it enhances it. Faced with high costs of mounting tours, many major arts companies, including the Metropolitan Opera, have acknowledged the growing importance of their role with public television. Participants in a recent panel discussion at Fordham University celebrating, respectively, the tenth and ninth anniversaries of the public television series "Live from Lincoln Center" and "Live from the Met" discussed how these series pioneered methods of televising operas, plays, concerts, and dance. According to panelist Dr. Brian Rose of Fordham, the broadcasts have enabled home viewers to take live cultural events almost for granted, and have helped inaugurate a whole generation of cultural superstars. Rose also pointed out that during the 1960's, as network commercial competition grew, cultural programs were deemed too elitist and not good for ratings. He added that most of the changes and improvements in offerings of cultural programs in the last 15 years -- a time when experimentation by the commerical networks has declined -- have come about with the the help of corporate sponsorship and the willingness of public television to experiment with such programming and to assign it favorable positions on the PBS schedule.

Experimentation in newer art forms continues on public television with the help of the NEA, both within our current performance series and in new series. Featured in the current season of the series "Great Performances" was the documentary "Einstein on the Beach: The Changing Image of Opera", a brilliant collaboration between composer Philip Glass, theater artist Robert Wilson, and choreographer Lucinda Childs. And, entering its second season this summer is the KTCA/Minneapolis-St. Paul series "Alive From Off Center", a showcase of works of today's most adventurous performing artists, fusing video technology with new wave theater, music, and dance.

Major funding from the National Endowment of the Humanities is making possible this season the new series "The Shakespeare Hour". With Walter Matthau as host and guide, the series presents each of BBC-produced Shakespeare plays in several weekly one-hour segments, in television mini-series fashion. This season features Shakespeare's "love" plays, while future seasons will be based on his themes of "power" and "revenge". Intended for classroom use as well as prime time viewing, the series educates with mini-documentaries and insightful commentary as well as entertains. The program's underwriter, the Morgan Bank, has funded production of free classroom materials -- teacher's manuals, student handouts, posters, and other teaching aids -- for all the first five plays and the distribution of them to every junior and senior high school in the country. It is important to note, too, that the presenting station - WNET/New York - prepared the plays and the educational materials with the guidance and support of some of the world's foremost Shakespearean scholars to insure the presentation's integrity and educational value.

"Wonderworks", the award-winning family drama series, is now entering its third season on public television with the support of the NEA. Recognized as television's best drama series by the first American Children's Television Festival, the series continues to explore the issues and problems of growing up with such fine productions as "Maricela", the story a young Salvadoran refugee; "Booker", an exploration of the transition from slavery to freedom through the eyes of young Booker T. Washington; "The Lone Star Kid", based on the true story of the 12-year-old mayor of Crabb, Texas; and "Anne of Green Gables", a four part adaptation of the L.M. Montgomery children's classic. Produced by a consortium of five public television stations -- WQED/Pittsburgh, KCET/Los Angeles, KTCA/Minneapolis, South Carolina ETV, and WETA/Washington -- this series attracts top flight actors and directors who accept minimum scale wages to help create all too rare masterpieces of family entertainment.

Public television's critically-acclaimed series "American Playhouse" has continued its tradition of bringing fine drama into American homes by presenting such Endowment-supported productions as "Huckleberry Finn", "Master Harold and the Boys", "Sunday in the Park with George", and "Heartbreak House". Coming this spring is "Roanoak", a four-hour dramatic presentation of the first settlement in Virginia. It is produced by South Carolina ETV.

The Special Help from Challenge Grants

The public television stations that produce the great performance and cultural series for the entire 318-station system, as well as other stations, have received additional support from the two Endowments in the form of Challenge Grants. These three-to-one matching grants have enabled many of our stations to raise the funds necessary to take on the heavy burdens of production for a national system while still providing vital local services. Past years' Challenge Grant recipients have included WMFE/Orlando, KUON/Nebraska, WTTW/Chicago, Vermont ETV, and KTEH/San Jose. This year, KTCA/Minneapolis-St. Paul, and KERA/Dallas, received $500,000 and $250,000 respectively in Challenge Grant funds.

For example, KERA will use the $750,000 it raises in total through the Challenge Grant to increase its arts program production. The station has produced a six part series that will be aired this year entitled "West of the Imagination", a look at the American West through artists' eyes.

Conclusion

Support from both the Endowments remains critical to the best use of public television for the American people. The fine programs that have been made available through Endowment funds have sought to fulfill the missions of both public broadcasting and the Endowments to enrich culturally and artistically the lives of the American people. Because of the budget cuts to public broadcasting in 1981, this past fall's public television season for the first time contained no new "blockbuster" series, and only now are our stations building back some of momentum lost during these past few years. Endowment dollars spent on public television's program pipeline -- in research and development funds, production assistance, or directly to our stations -- are indeed dollars well spent. Nearly every American has access to a free public television signal and to the cultural riches sent through it.

We encourage both Endowments to continue to increase their funding of broadcast media projects, and we support funding the Endowments to the greatest amount possible.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE ARTS

WITNESSES

SUZANNE WEIL, SENIOR VICE PRESIDENT OF PROGRAMMING, PBS

MARIE SQUERCIATI, PROJECT DIRECTOR, THE SHAKESPEARE HOUR, WNET, NEW YORK

Mr. YATES. All right, let's show the hearing coming to order and Ms. Weil and Ms. Squerciati are with us this afternoon.

Ms. Weil, did you want to start?

Ms. WEIL. Yes sir. I want to tell you how happy I am to be back here and I hope we can be as productive this year as we were last year. We are very grateful to the chairman for——

Mr. YATES. We will see what happens.

Ms. WEIL [continuing]. In seeing how wonderfully public television is helping us along with the Arts and Humanities Endowments.

I just want to bring you up to date since last year. Last year, we were here and we said that we were going to have a fairly flat fall. In this last past fall television season, because we had no new American product coming down the pike as a result of our budget cuts. We had seen this coming through three or four years ago. We knew there wasn't much we could do to get anything to change. We said we were going to get busy right now to start making sure that that won't happen again, so we did, we got busy and as I think is the proof of the pudding in our winter season, which has everything from Planet Earth to Huck Finn, to a lot of new products both in our regular series and some new series, and a one time only special series that will make our schedule shine When we don't have those, we will really hurt.

So we do have those this winter and I can happily tell you that unless terrible things happen, if things stay fairly stable, with all of our major funders we have now, a pipeline that is absolutely spectacular in its potential. We have spent the last three years gathering up the information that we never had had in one place. We got the producers to cooperate with us and give us all of their hopes and dreams and their secrets about things they were working on so we would make sure there wouldn't be duplications.

That is our job and we were able—in fact we are all computerized. We will be able to punch by delivery date, by funder, by subject matter, et cetera. So we know what we have got in there, we know what is good. We also know we can start programming with some predictability, which is something we never ever did. If it was ready, it got on the air; if it happened to be two of something, it got on the air together. Now we can play the traffic company that any base broadcaster should be able to do to make those things happen.

We are very pleased about that, particularly what we are pleased about is the contents. When we got to looking at all of this, we said this is a good time to say okay, what do we really want. What we wanted was more American content, particularly in the performing arts, more work from around the country. We have been able to now get things started by working with the Endowment, by working with the corporations by funds we have at PBS to make sure the range is much, much wider.

If you look at a series, you will see a lot more jazz, a lot more musical comedy, a lot more indigenous Americans. You will see opera from Philadelphia, ballet from Chicago. I am hoping Sinclair Lewis will be on the air on American Playhouse.

Mr. **Yates**. I was just overwhelmed with Anne of Green Gables. I thought it was just wonderful. How did you happen to buy it, it is so good.

Ms. **Weil**. I would like to think that we would have been able to no matter, but I don't think we would have. The stations banded together with the cooperation of both Endowments and I suppose that is why we are here, and I think they are to be mightily thanked to put together this series of drama for families, something that doesn't exist in television in prime time on any network, and we were late in doing it too, so the wonderful work came as a combined product by several stations, basically by Pittsburgh and stations in Pittsburgh and four others.

Mr. **Yates**. How did they know about it?

Ms. **Weil**. Their job is to get out and find out everything that is in production and the——

Mr. **Yates**. Who produced it? This was done in Canada?

Ms. **Weil**. This was done in Canada by an independent producer in Canada with CBC.

Mr. **Yates**. And where did he get his money, from CBC?

Ms. **Weil**. Got most of it from CBC, some from us and I am sure——

Mr. **Yates**. For the production?

Ms. **Weil**. For the production. It was very expensive. It was because it was on location. CBC is not public television in Canada, it is commercial, so——

Mr. **Yates**. What is public there?

Ms. **Weil**. Well, there really isn't anything quite like our public television. It is supported by the government. I don't know that much about it. It does have commercials, therefore, the scale that would be the scale that we would have to pay for something would be much lower if it had been made in the U.S. So it was costly to make it in Canada because those actors did not work for scale, because they were working under a different contract.

I think the bulk of the money certainly came from Canada and from foreign pre-sales, which is the way everything we do now gets done because even the formerly wealthy British Broadcasting System seems to need to bring together many different components in order to get something funded.

Mr. **Yates**. It is very hard on the eyes, too.

Ms. **Weil**. Some of it, yes. I think that it is possible, I can't say this for sure, but it is possible without the Wonder Works components that it might not have gotten done. That is because we are also dependent on so many broadcasters around the world. It is one of the reasons that it is very important that we would be able to play in those arenas.

Mr. **Yates**. Is it better for you to buy a film from Canada rather than produce it yourself?

Ms. **Weil**. Well, that is a hard one.

Mr. Yates. Would that be cheaper, for example, to go out and buy——

Ms. Weil. It would be cheaper to buy it. You may not get the product you want. In this case, it would be like co-production acquisition, so the people from American public television were there when they worked on it, and I wasn't privy to that. I suspect they did all the casting and et cetera, and made sure that it was something that we all wanted, too. And by having that money come in, I am sure that made it a better production than it would have been before.

Generally speaking, we like to be in the driver's seat, but often it makes sense to do something with another country and it certainly is more economical much of the time.

Mr. Yates. Would you know whether Huck Finn cost more than Anne of Green Gables?

Ms. Weil. I wouldn't know that. I don't see those budgets. My guess is that it was probably quite similar.

Mr. Yates. I would be interested to see the costs. Can you get them?

Ms. Weil. I think I can. We don't usually get those but I think I can. I think they are both in the $6 million range.

Mr. Yates. Four parts?

Ms. Weil. Yes sir.

Mr. Yates. Both on location?

Ms. Weil. Yes, stellar casts, all of that.

Mr. Yates. I would like to know, I think the record should show that.

Now, all of the money had to be raised by the American producer of Huck Finn and whereas the producers of Wonder Works only had to come up with their portion of it. Did they get the money from Telefilm?

Ms. Weil. I don't really know where all the money came from.

Mr. Yates. A witness this morning said that Telefilm is for independent producers.

Ms. Weil. That may be.

Mr. Yates. Have you finished? I am going to have to cut you short.

Ms. Weil. I was going to just continue to talk about the kind of range, but I think you know that and that came up in questions, but in order to illustrate the range, and also our banding together and becoming economical, we have learned a lot about recycling programs, we repeat programs. We haven't done enough with rearranging them and making them into a second series. Marie took the Shakespeare can, which was done over seven years ago and turned it into a television series, which we brought her along to talk about.

Mr. Yates. Let's let her talk.

Ms. Squerciati. Shakespeare, of course, is the king of reruns. He built his reputation in the British Theater that way and——

Mr. Yates. More so than MASH.

Ms. Squerciati. More so than MASH, right, absolutely. He had longer to work on building his audience. That is what we are doing with Shakespeare as well.

I teach in a college. I have Channel 13 and came here to do a series.

Mr. YATES. What do you teach?

Ms. SQUERCIATI. Well, now I am teaching Emerson—this week I am teaching Emerson. The first semester, I came across an Emerson quotation about the American scholar, which is very radical. It addresses how an American should have a different approach to learning and one of the phrases that Emerson had in his essay was that men are after money and power, and what they need is something to wake up their souls, and the way that it has to happen, and the American scholar will do it, is by gradual domestication of culture, those things which are splendid.

And although I cannot come out with another crackpot theory on Shakespeare—for instance, that he is an American—I certainly can say that what we have done with the first years of the Shakespeare Hour and hope to do for the next two years, is take this enormous achievement of doing all productions for television, the domestic medium, look at it with a panel of top American Shakespeare scholars and also in equal part students, the students at City College in New York, people who are going back to school at 40 and 50, who have raised their families and are selling tokens in the subway at night, looking at these plays, the televised plays and saying for every hour, okay, what did you understand, what did you not understand?

We are able to, thanks to this funding from the National Endowment for the Humanities, create two and a half hours of new television simply to repeat the best Shakespeare plays. We have five plays in the first season and I think, I am pleased to explain, what we are doing is, the teachers always used audiovisual aids. Walter Matthau was our host.

Mr. YATES. An old time Shakespearean actor?

Ms. SQUERCIATI. Right, he is. In fact, we really wanted him, after we saw an interview with him on the Cavitt show, he talked about a performance he did in Philco Playhouse. He saw it afterward; we thought he was so happy, he said, "My performance could be characterized as Brooks Brothers School of Acting". He said, "All I kept on doing was brushing lint off a fellow's clothes while whispering to him". I thought it was pretty good. We knew right away we wanted him to be the host, so he would be able to have a direct——

Mr. YATES. I picture him as Falstaff.

Ms. SQUERCIATI. We did. You will see it, we did Falstaff's speech because we did his mini-documentaries hour thing like the Shakespearean comedy, throughout the series, and there is one that is about comedy and he does one piece of bombast from the Elizabethan Theater to show what Shakespeare was writing against, the junk of that day, and then Matthau does that speech, then he went into a Falstaff speech that had us just aching to do, and then he wrote this wonderful TV guide article on Shakespeare that afterward a reviewer reader wrote in and said that why can't we have Walter Matthau doing something like Shakespeare?

Well, I am certain if we continue the success of the Shakespearean Hour and draw the kind of audiences that we are drawing—we have gotten six weeks into the series, gotten 12,000 letters from teachers and that represents over a million and a half students. We used and abused a great panel of scholars. It is the first time I have gotten to ask my professor for their papers and to be clear. Even the expertise of somebody like Matthau coming in and looking at a script and saying you have to get preliminary, we are saying that King Lear was a dope.

Mr. **Yates**. Are all these in a can on the shelf now?

Ms. **Squerciati**. They are on the air.

Mr. **Yates**. They are all done, they have been done for a while?

Ms. **Squerciati**. They were done by the time we aired January 23rd, yes. We put in for the second year funding. Morgan Bank has already committed two more years of funding.

Mr. **Yates**. I don't remember seeing MacBeth and Hamlet.

Ms. **Squerciati**. No MacBeth is in the second year, which is the power series. The third year is going to be Hamlet, recycled. And then we are also going to do a documentary on Shakespeare in the first half. It is going to be "Shakespeare in America."

Mr. **Yates**. I would have thought you would have reversed those, in order to attract the public.

Ms. **Weil**. Love.

Mr. **Yates**. Love doesn't attract the public, it is violence. That is my impression of television these days. Everything is Miami Vice or the Hill Street Blues.

Ms. **Weil**. It is the other guys.

Ms. **Squerciati**. We offer an alternative. Some are after money and power.

Mr. **Yates**. I told Megan Fellows this morning, it is wonderful to see a play that doesn't have shooting and violence in it. She was marvelous. I told her I was in love with that series.

Ms. **Weil**. Play together again.

Mr. **Yates**. Yes, so I will. She gave me a copy of it.

Have you finished? The reason I asked that is because I am on a tight schedule.

Ms. **Squerciati**. I have a few things I will leave with you. I have all the press clippings on it so you can see what we——

Mr. **Yates**. I am impressed without the press clips.

Ms. **Squerciati**. I could have gotten a more attractive folder.

Mr. **Yates**. It is a very attractive folder here.

Ms. **Squerciati**. Last time, we only had one copybook. We got top scholars to write these productions. I couldn't carry down the teachers' responses, which are up to there.

Mr. **Yates**. I believe you.

Ms. **Squerciati**. It is all there.

Mr. **Yates**. Thank you very much.

Thank you, Maria.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE HUMANITIES

WITNESS

CLEO V. ROBINSON-ANDERSON, HEALTH ALTERNATIVES INTERNATIONAL, INC.

Mr. YATES. Now we have Ms. Cleo V. Robinson-Anderson, from Great Britain?

Ms. ROBINSON-ANDERSON. Philadelphia. Health Alternatives International.

Mr. YATES. Are you in here speaking from Health Alternatives International or MIS?

Ms. ROBINSON-ANDERSON. Well, my main concern as with many others, is mental health. Mental health is rooted in the customs and the cultural bents of people, and our group works with people of all cultures and ethnic backgrounds with respect for individual cultural behaviors.

Personally, I am a researcher, primarily for children, and having worked my way through every aspect, which also includes serving as mental health therapist on male heroin detox board——

Mr. YATES. What?

Ms. ROBINSON-ANDERSON. Male heroin detox board, drug preventive and going through of this and spending 30 years on the Community Chest-United Fund Board and all the rest of it, and have come to the conclusion that what you are doing here is so essential because we are in a critical state now.

For example, we are spending millions of dollars on trying to correct drug addictions and so forth. People are asking for more policemen. You will never have order until you have a population which has order in its heart, I don't care how many policemen you get.

Mr. YATES. Right you are.

Ms. ROBINSON-ANDERSON. You will never do away with drugs, I don't care how many of them you pick up, until you deter the children from those programs. The most vulnerable ages are people in the thirties, surprisingly enough. That is a population which I work with intensively, but now I am more interested in children and that is why I come here and support every one of these agencies and organizations, and particularly public broadcasting an hour of FLMFNL in Philadelphia which brings us Dallas and Houston and Chicago and San Francisco, all of those wonderful orchestras.

We urgently ask you at least to give the cultural lifeline of our country as much consideration as you do the other departments—the war department. I assure you that you will have a healthier and stronger Nation if you encourage the participation of more people actively in their individual responsibility for their cultural growth and enrichment.

I look at it as much as I can. I am so happy with PBS, I am hoping they continue to recycle and rerun forever. In fact, I assign the nature series and the animal series to different families and groups so that people can learn about nurturing their children. Animals can teach our people a lot and the reason this is so urgent is because there are so many deprivations in our society today.

There is one thing I would like to ask you, particularly as it pertains to Philadelphia. We already have taken individual responsibility for the arts. We have many small groups who are doing what they can themselves in order to enrich people's lives, and of course, some of my people are involved in that. This is a group study at an art museum. They have finally succeeded in getting a building in Philadelphia, from the city which generally does not listen to people. They have their art institution, and they are having an argument which one of the artists is going to play base music while the exhibit is going on in the neighborhood which does not support that.

Across the street practically from this building is the church that I went to in 1973 asking them if they would let us use their mimeograph michine to mimeograph material that we could distribute to the neighborhood on how to divert their children from drugs and addictive behaviors. The minister of the church said his population did not come from that immediate neighborhood, that they were bused in, vaned in, and he did not feel any responsibility for that neighborhood.

I know for a fact, that this is the attitude of a lot of people in Philadelphia, which prides itself for being a democratic city. However, it is more class conscious and more elitist—and I don't mean from the standpoint of the recognized art and musical institutions, I mean anybody who is a foreman or a supervisor or has a position of any power in Philadelphia, immediately assumes the characteristic of royalty or an elitist person.

This is the power which people are so deprived of, and which they assert whether it is an adult who abuses their children, or anyone with a little authority like—I get letters from all over and I send letters to to all kinds of communities. A lot of them don't bother to answer but that is alright. Upstate New York, the Middle West is fantastic and a lady from Kansas—please, I cannot say enough.

Mr. YATES. I adore her.

Ms. ROBINSON-ANDERSON. What she is doing, that is what we are trying to do in Philadelphia, surprisingly enough.

Mr. YATES. Who is the lady from Kansas?

Ms. ROBINSON-ANDERSON. I think her name is Kahn. The urban and rural are not that far apart, you see.

Mr. YATES. I agree with that.

Ms. ROBINSON-ANDERSON. All right, but it is just that we have been manipulated into being different and separated. I have a letter, just part of which, if I have time, I would like to read.

Mr. YATES. You have time to read three sentences.

Ms. ROBINSON-ANDERSON. All right. This young man said: "As a high school teacher and basketball coach for 14 years, I have experienced much in the changing attitudes of students toward adults, teachers, each other; and their future, however, is bleak. I often feel like the little boy with the finger in the dike trying to hold back the disaster, but always wondering when it would finally erupt."

Now, he is talking about all the different influences which are stealing his children before they have a chance to reach their optimum development and give their potential to the country. So, from that standpoint, I am leaving some clippings and resource material for your group or someone to read at their convenience so that you can understand why I urgently urge you to support the existing groups and also if someone in the organization of the National Endowment for the Arts would be receptive to groups which are not the Phialdelphia museum or Philadelphia Orchestra, however commendable and wonderful they are, if they would be receptive to listening, to help us save young children of great talent and abilities who have no resources because they haven't reached a recognition stage.

Mr. YATES. Thank you for telling us the Phildelphia story.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE HUMANITIES

WITNESS

MR. BODE, REPRESENTING GOVERNOR HARRY HUGHES, STATE OF MARYLAND

All right, Mr. Bode.

Mr. BODE. I have a letter from Governor Hughes which, with your permission I would like to read. I timed it, it is about three and a half minutes. If I eliminate the dramatic pauses it is only three minutes. I will cut down what I want to say.

Mr. YATES. Sure, go ahead.

Mr. BODE. You won't be shocked to know that I have not changed my mind about popular culture and high cultures, and that I still believe in setasides, and what I am delighted about is that Governor Hughes was ready, willing and, I could almost say without hyperbole, eager to have this letter drafted and to read it carefully and sign his name to it, and if you will give me a chance to read it aloud I think you will appreciate that without gestures.

"Dear Congressman Yates:

"As Governor of the State of Maryland, I have seen personally the excellent contributions the National Endowment for the Humanities has made in enriching the lives of our citizens during the course of the last twenty years. The results of its work may not be as tangible as a new super highway or as overtly dramatic as a production of Swan Lake but they are equally important, as they reach the hearts and minds of our Nation's citizens.

"While there are special governmental organizations devoted to supporting the sciences and the arts, and a host of agencies dealing with social welfare, the National Endowment for the Humanities is the only Federal agency devoted broadly and exclusively to the support of the humanities. In our universities and colleges, our churches and synagogues, our senior citizen centers and schools, the National Endowment for the Humanities involves countless Americans in their quest for lifelong learning. People are given the opportunity to meet and talk with award winning contemporary novelists and composers, to debate with philosophers, and to rediscover their heritage through involvement in local, regional and ethnic histories.

"For Maryland's 350th birthday, the Maryland Humanities Council, the state based affiliate of the National Endowment for the Humanities played a major role in the statewide commemoration of the 1634 founding of Maryland, devoting about $350,000 to local programming throughout the state on all aspects of Maryland's history and heritage.

"In addition, I am very pleased to note that currently the Maryland Humanities Council, with funds from the National Endowment For the Humanities, is moving forward with the same dedication and energy to commemorate the Bicentennial of the United States Constitution. At our historic state house in Annapolis, on September 13, 1986, the council will sponsor a major conference on the substance of the Annapolis convention and its import on our Nation. This conference has been officially recognized by the Federal Commission on the Bicentennial of the United States Constitution, chaired by Chief Justice Warren E. Burger. It gives tangible evidence of the way in which the Endowment contributes to the civil—as well as cultural—life of our nation. Without such funding, the conference could not move forward.

"Beyond these Maryland based public programs, the National Endowment for the Humanities has provided extensive support for institutions that preserve and convey the humanities—the libraries, museums, historical societies, colleges and universities. Major grants from the Endowment support restoration, preservation, cataloging, and installation of major exhibitions, in-depth research and publications throughout the Nation.

"The work of the Endowment has been made possible through a partnership of Federal, state, and private funds, and the leveraging of federal matching funds has been a significant factor in this partnership. In addition, this support has had a major economic impact on each state; helping to attract business, tourism, and permanent residency by persons who value participation in cultural and educational programs which enhance the quality of their lives. As I swore to the Chairman of the National Endowment for the Humanities last year:

"I am well aware of the crucial assistance the Maryland Humanities Council has given to various programs in state government, especially during Maryland's recent 350th anniversary celebration. Several important and permanent projects would not be in place today without the council."

"The scope of the programs and the benefits derived from the work of the Endowment are too vast to convey in a single letter or testimonial. The Endowment and its subsidiary state programs are close to the people they serve and responsive to the interests and needs of your constituents. The impact of its vital programs is felt throughout the cities, small towns, and rural areas of this nation, and touches the lives of millions of Americans daily. As you consider the budget, we strongly urge you to continue to support the outstanding work of the National Endowment for the Humanities.

"Sincerely, Harry Hughes, Governor."

Thank you very much.

Mr. YATES. Thank you very much.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE HUMANITIES

WITNESSES

SONDRA MYERS, PRESIDENT, NATIONAL FEDERATION OF STATE HUMANITIES COUNCILS

THOMAS ROBERTS, EXECUTIVE DIRECTOR, RHODE ISLAND COMMITTEE FOR THE HUMANITIES

Mr. YATES. Ms. Myers, President, State Humanities Councils, and Mr. Thomas Roberts, Executive Director, Rhode Island Committee for the Humanities.

Ms. MYERS. I am Sondra Myers, President of the National Federation of State Humanities Councils, past Chairman of the Pennsylvania Humanities Council, Chairman of the State Arts Advocacy League and Founding President of Citizens for the Arts in Pennsylvania. I mention the latter two affiliations not to lengthen the testimony nor to embroider my biography, but because it is intentional that I stand for the support of the arts and humanities—for the integration of cultural values in the public life of this Nation. I see it as a single agenda and hope that someday I may come before you to speak for that single agenda. I thank you for the opportunity to testify before this committee today. I do so on behalf of the Federal Government's support of the humanities in general and the state humanities councils in particular.

I have had the privilege of testifying before this committee before and I can say without undue flattery, but with abundant gratitude that this is a quintessential experience for me as a citizen, as an American citizen. In this very encounter is the precious essence of what life in a democracy is and should be. And in my advocacy of the life of the mind, I feel that I speak in support of the most fundamental safeguard of democracy—the first line of defense, if you will.

Far from being a luxury or an afterthought, the support of the arts and humanities is a very basic protection that our democracy offers. The relatively recent creations of the Endowments for the Arts and Humanities belies the reality of the Federal Government's acknowledgement of the significance of culture from our earliest days of this Nation.

In his first message to the Congress, George Washington revealed that he was "persuaded that you will agree with me in my opinion there is nothing which can better deserve our patronage than the promotion of science and literature." Since our earliest days, we have been building a culture, manifest in our architecture, our literature, our art forms, our scientific discoveries. It goes with building a society—no afterthought or frill, but rather an ongoing articulation of who and what we are.

Commerce—and certainly military defense—are no competition for culture. We do not want them to symbolize our society nor express our basic values. They are useful and good only insofar as we require them. Arthur Schlesinger, Jr., in celebrating the 20th anniversary of the Endowments, said recently in an Op Ed article in The New York Times: "If history tells us anything, it tells us that the United States, like all other nations, will be measured in the eyes of posterity less by the size of its gross national product and the menace of its military arsenal than by its character and achievement its character and achievement as a civilization."

The State Humanities Program, as much as or more than any program I know, is an ingenious and eloquent expression of the basic values of our American character. It is in particular, an American phenomenon. It acknowledges the idea that the life of the mind is important—indeed essential—to the individual and to the society, and in fine pragmatic American fashion, it translates that idea into a program; a nationwide, localized, decentralized program.

Further, it gives us as citizens a responsibility for fashioning and executing that program. In its conception, at its present stage of being, and in its potential, the State Humanities Program is one of the most exciting educational inventions of our time.

We are, in brief, bringing the humanities to the public, to people where they live and work, in unprecedented quantity and of increasingly high quality, and most important, in many shapes and forms, alone or in collaboration with other groups, in city and town, in factory, in prison and board room. We are imperfectly and incompletely, of course, fulfilling a democratic promise that is more essential in our day than ever before. More than ever before we need to exercise our minds, stretch them to grasp at least in some measure, the glut of information, often perplexing and alarming, that bombards us everyday.

What I can report to this revered body today is that the 53 councils, though they are programmatic rather than concrete entities, are becoming real institutions within the educational/cultural establishments of their respective states. They are a unique resource, and they are increasingly recognized as such. They have increasingly been able to raise their standards, demanding excellence, at the same time that they have retained their staunch commitment to deliver programs into the most remote and even unlikely quarters. Even an activist for and advocate of the State Humanities Program like myself, who has been involved in the work almost since its inception, could not have anticipated the degree of complexity, diversity, imagination and visibility that marks councils today.

We will hear in a moment from Tom Roberts of Rhode Island, who will speak, among other things of "Keats and His Nightingale", "A Blind Date", a film funded by the Rhode Island Committee for the Humanities, which has been nominated for an academy award. Last year, "The Stone Carvers", a film funded by the D.C. Humanities Council, won the Oscar in the category of documentary short subject. The work of the councils through the years has never been regarded as show biz, ostentation has not been considered one of our failings, but here we are—state councils—modest serious institutions, supporting films that meet the highest standards of the film industry, carrying humanistic messages to the audiences all over the country.

In Alabama, there has been a year long devotion to Shakespeare. Now there is a focus on utopian communities. In Pennylvania, last year was the year of the Pennsylvania writer. Conferences were conducted in five locations around the state. Writers, established and upcoming, gathered together, newspaper supplements were published, reading and discussions were formed to enhance knowledge of and pride in our tradition of writing and give support and nurture to the talent that resides among us.

All over the country, state councils are devoting themselves to programs celebrating the 200th anniversary of the Constitution. Major lectures, exhibit, workshops for teachers, read/discussion groups, and the curricula for them, are being supported by state councils. The unique capability of the councils to deliver will insure that infinitely more out of school adults, as well as students, will be deeply imbued with a new awareness of what is perhaps our most precious legacy, the Constitution.

The councils are, of course, still heavily dependent on the National Endowment for the Humanities support; increasingly however, they are seeking and receiving support from private sources—foundations, corporations, and individuals—and in a few cases, from state governments. What does that mean? It means growth.

Does it suggest a diminution of the need for Government support? Hardly. It simply answers the challenges that the Congress gave in constructing the State Humanities Program in such a way that partnership and growth were natural to the enterprise.

Today, the states are playing out, actively exploring and consistently expanding the vision of a brilliant idea whose time has come. But we cannot afford to lose ground in our appropriation, the solid support of the Endowment and the Congress are our strength and our rationale. The private sector, just now getting used to funding the humanities, needs to see the maintenance of strong Federal support for verification of its own commitments.

If academy awards, support of foundations and corporations, collaboration with outstanding academic institutions and cultural and community organizations are indicators that we have arrived—I am here to announce our arrival.

We all know what the program is a modest one, but then most of us Americans are of humble origins. But what potential. And what value for the dollar.

To realize our potential, we need your continued support. We need more than you can give us. Because of our success, we have identified needs—new audiences for humanities programs—citizens craving to understand more about their own land and the world around them. We are committed to serve them and I trust you are similarly committed to support this intellectual lifeline to our adult out-of-school population. Today's citizens deserve and need to increase their understanding of the world they live in:

1. For sheer intellectual and professional or career survival and development.

2. For the sake of living a conscious, civilized life, where reflection and human values and beauty have their place.

3. To be adequate to the task of fulfilling their civil responsibility.

I said early on that we in the arts and humanities were the first line of defense. Yes; the enlightened and informed citizen is the sine qua non of a democracy. If we, as citizens, can grasp and channel the power that we have unleashed by our technological brilliance for the benefit of the society then there is hope. If we stand dumbly, bewildered and afraid, then we are the surest targets for terror and tyranny. To understand is to feel empowered. The fostering of understanding is our first line of defense.

Thank you very much.

Mr. YATES. Thank you very much.

Mr. Roberts, you don't have much time. How much time does the film take?

Mr. ROBERTS. I just wanted to show a few minutes of it, about six minutes.

Mr. YATES. Well, okay. They will have to wait, go ahead.

Mr. ROBERTS. This is a film that was funded and produced by the Rhode Island Committee for the Humanities. As Sondra has said, it has been nominated this year as one of the five films in the categories of documentary shorts. In fact, Sondra didn't say the film that she produced is one of the other nominees. But it does make the point there is some fine work being done by the State Humanities Council within the state and outside.

[A short film was shown.]

Mr. YATES. I like it. [Applause.]

I hope you win your award.

Mr. ROBERTS. We do, too.

Mr. YATES. Thank you very much.

Mr. ROBERTS. We would like to keep the award in the humanities family.

Mr. YATES. I am impressed. Thank you very much.

[The statement of Mr. Roberts follows:]

Statement of Thomas H. Roberts, Executive Director, Rhode Island Committee for the Humanities, before the House Appropriations Subcommittee on the Interior (Sidney Yates, Chair), March 19, 1986.

Mr. Chairman, honorable members of the Subcommittee, thank you for the opportunity to appear before you today to comment on the work of the state humanities councils. I am Thomas H. Roberts of Cranston, Rhode Island, Executive Director of the Rhode Island Committee for the Humanities. It is a privilege to speak to you and a heavy burden to represent to you accurately the intensely vital and immensely varied work being carried out by the fifty-three state humanities councils. While I am familiar with some of the accomplishments of most of the councils, I can speak more authoritatively about the work of the Rhode Island Committee for the Humanities (RICH). I have been the Executive Director of RICH since 1973.

While Rhode Island is undeniably small, we share many of the properties of the other states (except the wide open spaces) and we have a population that is easily as diverse ethnically, racially and generationally as those anywhere in the country. The challenge to build a cultural education program that embraced all those interests and still drew substantively on the traditions of the humanities was one taken very seriously by the founding members of RICH. Quite frankly, it took a few years to fashion a program that could successfully blend the fine scholarship available in southern New England with the determination to build a popular public program for our state. For the last few years, we have felt that it can work, that it does work in Rhode Island and elsewhere, and the state humanities program as a whole is one that Congress and the President can look at with pride.

Certainly, I cannot tell you anything about the purpose of the Endowment or the intent of the state councils. You are keenly aware of the philosophical underpinnings of federal support for culture. What I can tell you is that it is working. If numbers alone can gauge our success, then the state humanities councils have achieved stunning levels of success. Hundreds of volunteer board members encourage thousands of humanities scholars to participate in tens of thousands of activities that reach millions of Americans. From tiny libraries in southwestern Kansas to major museums in Chicago and New York, scholars from rural community colleges and major urban universities exchange ideas with audiences ranging from children in school to elderly in senior centers. And, while we inevitably have our failures, the quality of state humanities council programming has been astonishingly good. It has to be. Americans are too perceptive to accept twaddle. When the talk is empty, the rooms get empty pretty soon. We know rather quickly whether a program is working or not. And they do work. People stay at our programs, they participate, and they keep coming back.

There is a tendency to underestimate the intellectual curiosity of the American people. State humanities councils regularly provide opportunites to exercise that curiosity — to probe, to question, to debate — for people long finished with their formal educations. We bring our programs to them, in libraries, shopping malls, hospitals, parks, granges, reservations, museums, buses, almost everywhere. And what we bring them is a high quality product -- informative, well designed exhibits and publications; lively lectures; provocative discussions; entertaining and enlightening films.

On a blustery winter day last year, nearly 500 Rhode Islanders lined up outside a Providence theatre to see *Keats and His Nightingale: A Blind Date*, a RICH-sponsored film about John Keats, his ode and people's aversion to poetry, and the *Ode to A Nightingale*. The previous day's Providence Journal (circulation - 275,000) had featured a glowing review of the film and a portrait of Keats on the front page, surely a rarity for a poet dead 164 years. Every seat in the theatre was filled and still more peoples wanted to get in, so the theatre announced a special second showing to accommodate the demand. All over the state, the response has been overwhelming, all the more so because the film's subject matter is poetry and a poet whose works have a reputation for difficulty. After some of the screenings, departing viewers were overheard to say that seeing the film had made them eager to read, or reread, the poem. There is little more one can ask of a humanities film than that.

But the acclaim did not stop at the Rhode Island border. The film was shown and praised at several film festivals and at the Metropolitan Museum and the Museum of Modern Art in New York. In December, it received a prestigious CINE Golden Eagle award and in February of this year, the penultimate accolade arrived: a nomination for the Academy Award as Best Documentary Short of 1985. Other films funded by state humanities councils have been nominated before. In fact, last year's winner, *The Stone Carvers*, was funded by the District of Columbia Community Humanities Council. However, this is the first time that a state council has actually produced a film and has itself received a nomination.

This is an especially pleasing turn of events for two reasons. First, it demonstrates in a tangible way that the humanities do exert a strong appeal to all types of people and that a subject such as poetry can be treated seriously and still be entertaining and accessible. Second, since there are not many prizes for lectures, discussions and forums, being considered for an Academy Award is a widely visible acknowledgement that the work being done by state humanities councils is equal to the best work being done in both the commercial and non-profit spheres.

RICH has made a strong commitment to enhancing the quality of secondary education and to ensuring the place of the humanities in secondary school curricula through several institutes for high school teachers and through its own local history program, *The Rhode Island Legacy*. Acclaimed by scholars, teachers, students, and even the press, *The Rhode Island Legacy* series has had a significant and lasting impact on the 225 teachers and 14,400 students -- in 35 of the state's 36 school districts -- who have participated in it in the past three years. This classroom series consists of a dramatized encounter between two figures from the state's past. For example, Roger Williams and Anne Hutchinson, who fled Massachusetts two years after Williams, discuss the moral and political issues that prompted their protests and banishment. Many of the issues -- such as separation of church and state, freedom of conscience, the right to dissent -- remain lively today. (In fact, the first year of the program coincided with the argument of a case before the U.S. Supreme Court on a Pawtucket, R.I. city-sponsored Nativity scene.) The scripted portion runs eighteen minutes, leaving the rest of the fifty-minute class period for students to discuss and debate issues with the actors responding as Williams and Hutchinson. The actors, professionals with experience in education, conduct extensive research on the characters, the period and the issues.

Each class is prepared for the visit by their teachers with the aid of a study guide which offers a chronology of events, biographies, maps and an essay on the correlation between the controversial issues of Williams' day and their contemporary counterparts. A bibliographic statement encourages students to consult other texts to deepen their understanding of the period.

Other vignettes dramatize the issues surrounding four important events in Rhode Island history: the 1772 burning of the English duty-enforcing schooner, H.M.S. Gaspee, by irate colonists; the 1793 advent of the Industrial Revolution in the New World in the person of Samuel Slater and his textile mill; the 1842 Dorr Rebellion in which the courageous Thomas Wilson Dorr fought for universal suffrage; and the 1913 condemnation of five entire villages in the town of Scituate to create a reservoir for Providence. Students become intellectually involved in the issues as well as personally engaged in colonial culture, and their teachers are exuberant about the program's effect on the students' understanding of history.

These are just two projects among the dozens funded every year. As more and more RICH projects reach more and more people, the demand for RICH support increases accordingly. In fact, the number of proposals doubled from the '81-'83 fiscal period to the '83-'85 fiscal period. During that same time span, our regular funding allocation was reduced by almost a third. And this year it is down another 8% below last year.

Clearly, this keeps RICH from providing as much programming as there is demand and which deserves support. Just this year, we have had to deny funding to some valuable institutions in the community, or severely reduce what we could provide. Most notable of these is the state's only black history organization, one that we helped to establish with a grant eleven years ago. RICH has also responded to reductions by trimming the size of its staff from four full time in 1981 to two full time in 1986. But the demand continues to grow.

Various reports from inside and outside government recently have emphasized the absolute importance of education. I agree. But education is not a process that begins in first grade and ends twelve, sixteen or twenty years later. For most Americans, it never ends. That is why librarians, museums, repertory theatres, public broadcasting, adult education and state humanities councils have so many subscribers, members, friends, supporters, users. And the reality of the 1980's is that these valued and valuable institutions require financial support beyond what their users can provide. They -- we -- must turn to governments, local, state and federal for subsistence. The support we ask is not for ourselves, but for the millions of citizens who use our services. We must keep the spirit of intellectual curiosity alive in this country, the curiosity that animated Thomas Jefferson and George Washington Carver, Jonas Salk and Willa Cather. We must continue to be aware of the ideas of past civilizations and other cultures. We must go on asking not just who or what, but why. This is the charge of the humanities and I ask your help in bringing that charge to people throughout this great land.

Mr. YATES. I am sorry I can't let you show the whole film. We have people here who are going to testify.

Mr. ROBERTS. If you would like, I can give you a video casette. We would be happy to.

Mr. YATES. I would like to have that to go with Anne of Green Gables.

Thank you very much.

Mr. ROBERTS. Thank you. I am glad you enjoyed it.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE HUMANITIES

WITNESSES

LYNN SIMONS, STATE SUPERINTENDENT OF PUBLIC INSTRUCTION, STATE OF WYOMING, COUNCIL OF CHIEF STATE SCHOOL OFFICERS

CAROL BROWN, EXECUTIVE DIRECTOR, PITTSBURGH TRUST FOR CULTURAL RESOURCES

CHARLES BRYAN, DIRECTOR, EAST TENNESSEE HISTORICAL SOCIETY, AMERICAN ASSOCIATION FOR STATE AND LOCAL HISTORY

Mr. YATES. Now, we have community impact of National Endowment for the Humanities programs. Dr. Simons, Ms. Brown, Dr. Bryan. Thank you very much for a very good showing.

You are in favor of the humanities?

Dr. SIMONS. Of course. As a matter of fact, I just happen to be a former charter member of the state based Humanities Council, Mr. Chairman, so I have feeling for it.

I am Lynn Simons, Chief State School Officer of the State of Wyoming here representing the 56 Chief State School Officers in the Nation and territories. We are responsible, throughout the country and the territories, for the elementary and secondary education of our country. We are here to testify, firstly, to the importance of the program, that portion of the humanities funding that was spent on elementary and secondary education; and secondly, to tell you that you have got a big bang for the buck.

Firstly, let me tell some of the impacts as far as we have received and very small grants to various states. We have received a very small portion of that $5.6 million, but it has served a very large purpose. It has focused attention on the chiefs themselves, on the importance of the humanities to education, and to the education of further citizens of this country.

It has in addition to that, because of the influence on the chiefs of course, influenced the 16,000 school districts of the country. The funds have also through the Council of Chief State Executive Officers, our organization, have gone to inventory the state of humanities in education throughout the Nation and as a result of that, funds have been provided, I think, directly from the National Endowment to support teacher training to broaden understanding of the humanities.

We really do believe that the humanities have not been recognized as a discreet discipline but rather as a variety of disciplines and we have, because of the endeavor that has gone on over the last several years, been able to look at it as a whole rather than as part of a whole. It has had an important impact, kind of coincidentally actually, as we have been looking for the improvement of schools in the last three or four years, in our approach to helping students think more critically, which we believe is probably one of the most important aspects of education.

The funds have had a profound influence, we believe, and will continue to should they be made available. We want to make a special plea today and reminder—I guess we really give you a reminder of the fact that the school portion of the Endowment fund, $5.6 million for elementary and secondary education have been about levelly funded over the last three years. Now is really not a very good time to make further cuts in that program.

That is all I wish to say.

[The statement of Dr. Simons follows:]

STATEMENT BY THE
COUNCIL OF CHIEF STATE SCHOOL OFFICERS
REGARDING THE FY 1987 APPROPRIATION FOR
THE NATIONAL ENDOWMENT FOR THE HUMANITIES

BEFORE THE

SUBCOMMITTEE ON INTERIOR

OF THE

COMMITTEE ON APPROPRIATIONS

THE COUNCIL STATEMENT PRESENTED BY

LYNN SIMONS, SUPERINTENDENT OF PUBLIC INSTRUCTION

STATE OF WYOMING

MARCH 19, 1986

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, MY NAME IS LYNN SIMONS. I AM SUPERINTENDENT OF PUBLIC INSTRUCTION FOR THE STATE OF WYOMING. I AM HERE REPRESENTING THE COUNCIL OF CHIEF STATE SCHOOL OFFICERS, AN ORGANIZATION OF SUPERINTENDENTS AND COMMISSIONERS OF EDUCATION WHO ARE THE TOP ADMINISTRATIVE OFFICIALS FOR PUBLIC EDUCATION IN EACH OF THE STATES AND TERRITORIES. THE 57 CHIEF STATE SCHOOL OFFICERS, AS WE ARE KNOWN, ADMINISTER WIDELY DIVERGENT MANDATES REGARDING THE NATION'S SCHOOL CHILDREN. SEVENTEEN OF US, INCLUDING MYSELF, ARE ELECTED IN STATE-WIDE ELECTIONS, TWENTY-FIVE OTHERS ARE APPOINTED BY STATE BOARDS OF EDUCATION OR STATE LEGISLATURES, AND SIX ARE APPOINTED BY GOVERNORS. MOST OF US ARE RESPONSIBLE ONLY FOR ELEMENTARY AND SECONDARY EDUCATION, BUT MANY OF US SERVE ON STATE BOARDS OF HIGHER EDUCATION AND REGENTS. ALL CHIEF STATE SCHOOL OFFICERS, HOWEVER, ARE RESPONSIBLE FOR THE IMPLEMENTATION OF STATE STATUTORY AND CONSTITUTIONAL MANDATES REGARDING EDUCATION. IT IS THAT WHICH I WISH TO DISCUSS WITH YOU TODAY IN RELATION TO THE NATIONAL ENDOWMENT FOR THE HUMANITIES.

THE CURRICULUM OF EVERY SCHOOL IN THE COUNTRY OFFERS SOME FORM OF HUMANITIES, PRINCIPALLY ENGLISH, HISTORY, AND FOREIGN LANGUAGES. A 1984 SURVEY, CONDUCTED FOR THE NATIONAL CENTER FOR EDUCATION STATISTICS, REPORTED THAT 99.9% OF THE NATION'S SCHOOLS OFFER SOME HUMANITIES COURSES. OVER TWO THIRDS OF THE

SCHOOLS OFFER FOREIGN LANGUAGES, RHETORIC AND COMPOSITION, AND ANTHROPOLOGY AND CULTURAL GEOGRAPHY; ABOUT 40 PERCENT OFFER CULTURAL APPRECIATION COURSES; AND NEARLY 20 PERCENT OFFER PHILOSOPHY OR RELIGION COURSES. IN ITS REPORT TO THE NATION, THE NATIONAL COMMISSION ON EXCELLENCE IN EDUCATION NOTED THE NEED TO IMPROVE THE TEACHING OF THE HUMANITIES AS PART OF THE ROLE SCHOOLS SHOULD PLAY IN TEACHING VALUES RELATED TO CIVIC RESPONSIBILITY AND CITIZENSHIP IN A DEMOCRACY. ALTHOUGH FUNDS FOR EDUCATION FROM THE NATIONAL ENDOWMENT FOR THE HUMANITIES HAVE BEEN RELATIVELY SMALL IN COMPARISON WITH TOTAL SPENDING FOR EDUCATION THEY ARE AN IMPORTANT FORCE FOR THE IMPROVEMENT OF INSTRUCTION AND CURRICULUM IN OUR SCHOOLS.

LET ME TELL YOU JUST WHAT A SMALL AMOUNT THOSE FUNDS ARE. OUR STATE AND LOCAL EXPENDITURES FOR ELEMENTARY AND SECONDARY EDUCATION ARE $120 BILLION. THE ENDOWMENT'S PROGRAM FOR IMPROVING INSTRUCTION AND CURRICULUM IN THE HUMANITIES, JUST $5.6 MILLION, IS MINUSCULE IN RELATION TO THE FEDERAL BUDGET. IT IS APPROXIMATELY .00046 PERCENT OF TOTAL OUTLAYS FOR FY'86 AND .00042 PERCENT OF REQUESTED OUTLAYS IN THE PRESIDENT'S FY'87 BUDGET REQUEST. IN REAL DOLLARS, FUNDING FOR NEH HAS REMAINED CONSTANT AT ABOUT $140 MILLION SINCE FY'84, AND THE PRESIDENT REQUESTED ONLY $126 MILLION FOR FY'87. AS ONE PUBLIC OFFICIAL WHO UNDERSTANDS TIGHT BUDGETS, I REALIZE THAT NEH CANNOT GROW DRAMATICALLY WHEN DEFICITS ARE BEING REDUCED. HOWEVER, NEH HAS NOT INCREASED IN FUNDING OVER THE PAST FEW YEARS AND DID NOT CONTRIBUTE TO GROWING DEFICITS. IN FACT, NEH HAS HELPED RESTRAIN THE DEFICIT BECAUSE OF ITS LEVEL FUNDING OVER THE LAST THREE YEARS.

THIS YEAR CONGRESS MUST CUT SPENDING TO ACHIEVE THE GRAMM-RUDMAN-HOLLINGS TARGET OF $144 MILLION. BUT IT WOULD SEEM FAIR THAT THOSE AGENCIES WHICH HAVE NOT GROWN NOT BE ASKED TO SACRIFICE FURTHER WHEN THE LARGEST PARTS OF THE BUDGET, ENTITLEMENTS AND DEFENSE, CONTINUE TO GROW. SPENDING TO TEACH CHILDREN ABOUT OUR HERITAGE AND HOW OUR INSTITUTIONS DEVELOPED MAY NOT BE AS IMPORTANT AS NATIONAL SECURITY, BUT IT CERTAINLY IS AT LEAST .00046 PERCENT IMPORTANT. FUNDING FOR NEH, I SUBMIT, SHOULD NOT BE REDUCED.

LET ME DOCUMENT SOME OF THE ACCOMPLISHMENTS THE NEH FUNDS HAVE MADE POSSIBLE. I'LL BEGIN WITH A HOMELY EXAMPLE, ONE FROM MY OWN STATE. I HAVE WITNESSED GAINS IN THE SCHOOLS OF WYOMING BECAUSE OF EFFORTS MADE POSSIBLE BY NEH FUNDS COMMITTED TO PUBLIC EDUCATION--FUNDS APPROPRIATED FROM THE DIVISION OF EDUCATION PROGRAMS IN WASHINGTON AND FROM THE WYOMING COUNCIL FOR THE HUMANITIES. A GRASS-ROOTS COMMITTEE OF FACULTY, FROM OUR SINGLE UNIVERSITY, OUR COMMUNITY COLLEGES, AND OUR PUBLIC SCHOOLS, SURVEYED THE CONDITION OF HUMANITIES TEACHING IN WYOMING. THEIR REPORT LED TO CHANGES AND IMPROVEMENT OF SCHOOL PERSONNEL, IN SECONDARY SCHOOL PROGRAMS, AND IN GRADUATION REQUIREMENTS. BEYOND MY STATE, PROGRAMS INITIATED BY THE COUNCIL OF CHIEF STATE SCHOOLS OFFICERS AND SUPPORTED BY THE ENDOWMENT HAVE AIDED OTHER STATES IN ASSESSING THEIR CURRENT POLICIES AND PROGRAMS IN HUMANITIES INSTRUCTION. A REPORT

PRODUCED BY THE COUNCIL IN 1984 (INCLUDED AS THE APPENDIX) POINTED OUT THE IMPORTANCE GIVEN TO THE TEACHING OF INDIVIDUAL HUMANITIES SUBJECTS IN THE SCHOOLS, AS WELL AS THE LACK OF ADMINISTRATIVE SUPPORT TO PROVIDE GENERAL GUIDANCE FOR THE AREA BY STATE DEPARTMENTS OF EDUCATION. THIS WAS PRIMARILY THE CASE BECAUSE THE HUMANITIES AS A WHOLE ARE NOT CONSIDERED TO BE AN INTEGRAL BODY OF INSTRUCTION EITHER BY STATE DEPARTMENTS OF EDUCATION OR BY INDIVIDUAL HIGH SCHOOLS. THUS WHEN STATE EDUCATION PERSONNEL COOPERATED TO COMPLETE CCSSO'S SURVEY, AND WHEN THEY MET WITH COUNCIL HUMANITIES STAFF, IT WAS, FOR MANY OF THEM, THE FIRST TIME THEY HAD EVER GATHERED AS A UNIT OF CURRICULUM SPECIALISTS OR TEACHERS CONCENTRATING ON THE INTEGRATED STUDY OF THE HUMANITIES. THROUGH THIS PROJECT, NEH'S SUPPORT ALLOWED STATES TO REALIZE FOR THE FIRST TIME THE NEED FOR SCHOOLS TO DEVELOP COOPERATIVE AND INTEGRATED ADMINISTRATIVE AND INSTRUCTIONAL PROCEDURES TO ENHANCE THE QUALITY OF TEACHING ENGLISH, FOREIGN LANGUAGES, AND HISTORY—DISCIPLINES TRADITIONALLY VIEWED AS SEPARATE, WITH FEW DEFINED COMMON INTELLECTUAL GOALS.

WITH FUNDS FROM NEH'S DIVISION OF EDUCATION PROGRAMS THE COUNCIL OF CHIEF STATE SCHOOL OFFICERS HAS MOST RECENTLY FOCUSED ON THE ROLE OF THE HUMANITIES IN TEACHING VALUES OF CIVIC RESPONSIBILITY IN THE SCHOOLS. LAST SUMMER COUNCIL STAFF, WITH A CORE OF UNIVERSITY FACULTY, CONDUCTED AN INSTITUTE FOR TWELVE SOUTHERN AND MID-ATLANTIC STATES AT EMORY UNIVERSITY IN ATLANTA ON "CIVIC RESPONSIBILITY: THE HISTORICAL AND PHILOSOPHICAL SOURCES." THOSE WHO ATTENDED THE INSTITUTE WERE DIRECTORS OF

INSTRUCTION, HUMANITIES SPECIALISTS AT STATE EDUCATION DEPARTMENTS, CURRICULUM CONSULTANTS, AND TEACHERS FROM THE STATES' LARGEST SCHOOL DISTRICTS. FACULTY INCLUDED CHARLES KARELIS OF WILLIAMS COLLEGE, WHO IS CURRENTLY DIRECTOR OF THE FUND FOR THE IMPROVEMENT OF POST-SECONDARY EDUCATION, AND PROFESSORS DAVID LITTLE AND DAVID GRIMSTED OF THE UNIVERSITIES OF VIRGINIA AND MARYLAND RESPECTIVELY; THE THREE REPRESENTED THE FIELDS OF PHILOSOPHY, RELIGIOUS STUDIES, AND HISTORY. THE INSTITUTE PROVIDED AN OPPORTUNITY FOR EDUCATIONAL ADMINISTRATORS, WHO, TYPICALLY, HAVE LITTLE OPPORTUNITY TO READ CLASSIC WORKS DEFINING AMERICAN CITIZENSHIP, TO DO SO. THE INSTITUTE SUGGESTED WAYS FOR THEM TO IMPLEMENT THOSE LESSONS AFTER RETURNING TO THEIR STATES AND DISTRICTS. EACH OF THE TWELVE STATES DEVELOPED A PLAN IN THE HUMANITIES, AND PARTICIPANTS RECEIVED APPROVAL FROM THEIR CHIEFS FOR FOLLOW-UP PROGRAMS AT THE STATE AGENCY AND LOCAL DISTRICTS. JUST THIS SPRING, THE SAME CORE FACULTY HAVE MET AGAIN WITH INDIVIDUAL STATE AND DISTRICT EDUCATORS TO ASSIST THEM IN IMPLEMENTING THE PLANS THEY DEVELOPED IN ATLANTA.

DURING THE FOLLOW-UP ACTIVITIES IN THE STATE OF SOUTH CAROLINA, AS AN EXAMPLE, FIFTY OF THE STATE'S NINETY-TWO SCHOOL DISTRICTS SENT REPRESENTATIVES TO A PROGRAM CONDUCTED BY TWO OF THE CORE FACULTY. WHAT SHOULD ASTONISH AND GRATIFY YOU IS THE TREMENDOUS BREADTH OF INFLUENCE A SMALL NEH GRANT CAN HAVE. IN THIS INSTANCE, A SINGLE $200,000 GRANT HAS SIGNIFICANTLY INCREASED

THE ATTENTION PAID TO THE HUMANITIES, AND HAS FACILITATED THE EXPOSURE OF HUNDREDS OF STUDENTS TO SUBSTANTIVE WORKS DEALING WITH THE COMPLEXITIES OF GOOD CITIZENSHIP. IT WOULD HAVE BEEN DIFFICULT TO REACH SO MANY INDIVIDUALS, OR TO DEVELOP SUCH A RANGE AND VARIETY OF PROGRAMS, WITHOUT THE EFFORTS OF THE COUNCIL, SUPPORTED BY THIS SMALL PORTION OF THE $5.6 MILLION IN FUNDS THAT NEH COMMITS TO IMPROVING HUMANITIES INSTRUCTION IN THE NATION'S ELEMENTARY AND SECONDARY SCHOOLS.

BECAUSE OF THE COUNCIL'S 1984 REPORT, BECAUSE OF THE COUNCIL'S MEETING ON THE HUMANITIES DURING THE SPRING OF 1984, BECAUSE OF ITS CATALOG OF EXEMPLARY HUMANITIES SCHOOL PROGRAMS THROUGHOUT THE NATION, AND BECAUSE OF ADDITIONAL SMALL PLANNING GRANTS FROM THE ROCKEFELLER FOUNDATION, MANY STATES HAVE INITIATED EFFORTS TO IMPROVE AND ENHANCE HUMANITIES INSTRUCTION. THESE EFFORTS HAVE INCLUDED, AMONG OTHERS, SETTING UP NETWORKS BETWEEN STATE DEPARTMENT SPECIALISTS AND SOCIAL STUDIES TEACHERS IN THE STATE OF WASHINGTON, IMPROVING TEXTBOOKS ON STATE HISTORY IN THE STATE OF VERMONT, AND CONVENING A STATEWIDE CONFERENCE ON HUMANITIES-INVOLVED CURRICULUM SPECIALISTS AND TEACHERS FROM ALL DISCIPLINES IN THE STATE OF IOWA. THE CATALYST FOR ALL OF THESE EFFORTS WERE TWO SEPARATE GRANTS FROM NEH: ONE TO CONDUCT THE ORIGINAL SURVEY OF STATE POLICIES, AND A SECOND TO CONDUCT A SUMMER INSTITUTE AND FOLLOW-UP ACTIVITIES ON THE TOPIC OF CIVIC RESPONSIBILITY.

ONE OF THE MORE IMPORTANT ACCOMPLISHMENTS OF THE NATIONAL ENDOWMENT'S EFFORTS AT THE ELEMENTARY AND SECONDARY LEVEL IS OFTEN OVERLOOKED SIMPLY BECAUSE IT IS SO OBVIOUS. NAMELY, THAT A FEDERAL AGENCY, WHICH, BY ITS NATURE— AND EVEN ITS TITLE— FOCUSES ALL OF ITS EFFORTS TOWARDS THE HUMANITIES ENCOURAGES SCHOOLS AND EDUCATORS TO THINK MORE SERIOUSLY ABOUT DEFINIING THE HUMANITIES AND WHERE THEY FIT INTO THE GENERAL CURRICULUM. VERY FEW MATTERS THAT EDUCATORS CONFRONT DAILY INVOLVE EVEN THE TERM, "HUMANITIES," LET ALONE AN ATTEMPT TO APPLY THE HUMANITIES OR THEIR INTELLECTUAL APPROACH TO EDUCATIONAL GOALS. THE FOCUS OF THE HUMANITIES ON A COMMON CORE OF KNOWLEDGE, ON DEALING WITH ORIGINAL DOCUMENTS, ON CRITICAL THINKING, AND ON TYING PERSONAL EDUCATION TO PUBLIC RESPONSIBILITY CARRIES ITSELF A STRONG EDUCATIONAL MESSAGE.

WE OF THE COUNCIL BELIEVE THAT THE $5.6 MILLION IN NEH'S FUNDS FOR SCHOOL PROGRAMS HAVE HAD AN IMPACT THROUGHOUT THE NATION'S SCHOOLS. THEY HAVE NOT ONLY IMPROVED THE QUALITY AND QUANTITY OF HUMANITIES INSTRUCTION, MORE IMPORTANTLY THEY HAVE HELPED TO CREATE AN AWARENESS AMONG EDUCATORS OF THE CENTRAL ROLE OF THE HUMANITIES IN THE EDUCATION OF THE CITIZEN. WE URGE YOU TO RECOMMEND CONTINUATION OF THIS MODEST PROGRAM AT CURRENT FUNDING LEVELS.

Mr. **Yates**. Good.

Ms. Brown.

Ms. **Brown**. My name is Carol Brown, from Pittsburgh. I am Director of Pittsburgh Trust for Cultural Resources. I am here to testify for the state-based humanities program as past Chairman of the Pennyslvania Humanities Council. I am going to cut some of my rhetoric on how good the humanities are and go directly to where I think the programs are good. I want to tell you very, very briefly, I will give you the rhetoric for the record.

Mr. **Yates**. The rhetoric will be placed into the record.

Ms. **Brown**. I want to tell about some of the programs we have in Pennsylvania I believe have truly impacted real people in real grass roots communities. My home State of Pennsylvania has been enormously and significantly affected, I think, by the programs in the Pennsylvania Humanities Council and most certainly, I think, the Federal support that the National Endowment for the Humanities has provided to our program has been crucial to keeping our program alive and has been a real trigger that was discussed by the witnesses this morning in the Arts Endowment hearing that has been a real trigger in providing sources of leverage for support from the corporate community in Pittsburgh and Philadelphia across the state.

There are three programs that I think particularly have impacted real people and real local communities, and I want to speak about those briefly:

One highly successful effort in Pennsylvania recently has been a program called the Commonwealth Speakers Program. This is a program which places distinguished humanists, scholars of the humanities in a variety of disciplines, in local communities, to speak with real witness as well as scholarship to real people, on a whole series or range of humanity topics. This year in Pennsylvania, we place——

Mr. **Yates**. Have you found people who can speak with real witness?

Ms. **Brown**. We have done very careful screening of scholars, we choose them for witness as well as wisdom.

Mr. **Yates**. Good. Send them to Congress.

Ms. **Brown**. This year, the Pennsylvania Humanities Council has placed more than 180 Commonwealth speakers across the State of Pennsylvania almost 100 Pennsylvania communities, rural suburbs as well as urban. In fact, 81 percent of our Commonwealth Speakers Program have occurred outside our two major metropolitan areas of Pittsburgh and Philadelphia. They have occurred in Kiwanis Clubs, occurred in clubs, occurred in libraries.

However, because the funding limitations of the Pennsylvania Humanities Council are very real, as you know, the council has been able to supply these programs only up to a third of the actual demand, they have been so enormously popular across the state.

There is another excellent Pennsylvania program that has been very effective in regional areas of the state, which Sondra Myers mentioned very briefly in her presentation, and that is the Pennsylvania Humanities Council program on the Pennsylvania Writers Program which took place in eight regions around the state. Not only Pennsylvania literary heritage, but it brought a series of

Pennsylvania writers together with hundreds and hundreds of readers for very, very good conferences and in conjunction with these conferences in each of the eight cities of the state, the Pennsylvania Humanities Council published a newspaper—I brought examples of that—so that the real impact of the program was well over a million people who were reached directly in their homes by these newspaper supplements.

However, certainly the most distinguished, I think, public program in the humanities that has been conducted in the country in the last several years has been the Pennsylvania Humanity Council's series of bicentennial on the United States Constitution. Pennsylvania is justifiably proud to be the the state in which the Constitution was written and so we are particularly concerned with the appropriate celebration of this bicentennial in 1987.

The Pennsylvania Humanities Council has established a program that I would like to describe to you briefly, and it is a program, I think that because of its range in reaching literally millions of people across the state by 1987, and reaching into rural as well as suburban and urban communities, is a program that no single academic institution might have carried out. I think only a state based humanities program might have achieved this.

The council put almost two years into the planning of the program and finally in 1984, the program was initiated and I would like to describe briefly what its six parts are:

First, the Pennsylvania Constitution celebration plan consists of an annual distinguished lecture and conference on the U.S. Constitution. That deal with the more scholarly aspect of the Constitution.

In addition, however, there are numerous public readings and discussion groups that are led by political scientists and historians and schools of jurisprudence and government. These are being held throughout the 629 libraries in the states, so we are reaching down into very small communities with exceptionally fine, well prepared programs that are traveling exhibits and printed material that are being made available to the schools. There is a whole series on wonder teacher training institutes across the state to prepare our teachers both college and high school level to teach the Constitution more effectively.

And finally, the Commonwealth Speaker Program I alluded to has been accomplishing the same thing. And we also are producing newspaper supplements in eight major cities across the state; Johnstown, Erie, Harrisburg, Allentown, Scranton, Philadelphia, Pittsburgh, and State College. More than three million Pennsylvanians, young and old, by the year of 1987, and that literally is a quarter of the Pennsylvania population, which we are very proud of being able to deliver a program that will reach so many people in the state.

These excellent programs in Pennsylvania, as well as the effective work of the other 53 state-based humanities programs have gained state and local as well as private sector support. They would not be possible obviously without the direct support of the National Endowment for the Humanities. So we come to your committee to see that this base of support for real humanities programs that exist at local level be continued and maintained.

Mr. **Yates**. Good, thank you.

[The statement of Ms. Brown follows:]

TESTIMONY

OF

CAROL R. BROWN

EXECUTIVE DIRECTOR

PITTSBURGH TRUST FOR CULTURAL RESOURCES

ON BEHALF OF THE

NATIONAL FEDERATION OF STATE HUMANITIES COUNCILS

RE: 1987 APPROPRIATIONS

TO THE

NATIONAL ENDOWMENT FOR THE HUMANITIES

BEFORE

THE

HOUSE APPROPRIATIONS SUBCOMMITTEE

ON THE INTERIOR

MARCH 19, 1986

The wisdom and vision of Congress in creating the National Endowments for the Arts and for the Humanities through the enactment of the National Foundation of the Arts and Humanities Act in late 1965 has been more than justified over the past twenty years. And perhaps, surprisingly, nowhere has that vision been more justified than in the creation and maintenance of state-based Humanities programs, programs which have grown, in fact flourished, over the past twenty years, yet programs which simultaneously have had a low profile because their focus is on presenting and preserving the best in our tradition and culture at a grass roots level.

Certainly the Humanities are central to the preservation and development of our culture. The Humanities examine the values, purpose and meaning of life; they offer a context to assess human endeavors; they provide a means to appreciate and preserve culture; they relate the contributions of science, technology, the arts and the social sciences to human values. These issues are truly of concern to all of our citizens, both in and outside of academia. For white collar workers and blue collar workers as well as for scholars in turtlenecks and tweeds, learning is a life-long process. And traditions of excellence in scholarly Humanities endeavors as well as public programs in the Humanities must be nurtured and maintained.

Public Humanities programs, developed through state-based Humanities councils and programs, with support from the National Endowment for the Humanities, have achieved extraordinary levels of success over the past twenty years in bringing the Humanities directly to communities across the country, with programs of distinction and excellence as well as access.

My home state of Pennsylvania has been enormously and significantly enriched by the programs of the Pennsylvania Humanities Council, and most certainly the federal support that has been essential to these programs has also provided the stimulus for state, local and private sector support.

While the programs either funded by or initiated by the Pennsylvania Humanities Council annually are numerous, three recent programs in particular have had a measurable impact on the Commonwealth, particularly through their ability to reach an enormous and diversified range of local communities and citizen bodies.

One such highly successful effort in Pennsylvania is the Commonwealth Speakers Program, a program which places carefully selected and certainly distinguished Humanists and scholars in local communities, outside the walls of academia, to speak with wit as well as scholarship on a variety of Humanities topics, ranging from "Benjamin Franklin of Philadelphia" to "The Art of Noel Coward." This year more than 180 Commonwealth Speakers programs have occurred in almost one hundred Pennsylvania Communities, rural and suburban as well as urban; in fact, 81% took place last year outside of Philadelphia and Pittsburgh, in churches, at Kiwanis Clubs, and in libraries. And the typical 150 persons who attended each program also typically responded to the Pennsylvania Humanities Council that it was exciting as an out of school adult to experience a good Humanities program; to have alternatives to television; to listen to real scholars discussing significant contemporary issues. However, because of the funding limitations of the Pennsylvania Humanities Council and in spite of the extremely low cost of this effective program, demand for the Commonwealth Speakers program exceeds the ability to supply by more than three times.

In 1985, the Pennsylvania Humanities Council also staged a statewide celebration of Pennsylvania's literary heritage, with a well planned series of conferences, in eight regions, bringing local authors and readers together to discuss the state's literary heritage in conjunction with its current literary activity. In Pittsburgh, Erie, Scranton, State College, Philadelphia, Bethlehem, Johnstown and Harrisburg, the Year of the Pennsylvania Writers programs not only reached many hundreds of writers and readers as conference attendees, but highly readable newspaper supplements, on Pennsylvania writers, reached more than half a million citizens in their homes.

Among the most distinguished public Humanities programs conducted in the past decade is the Pennsylvania Humanities Council's series on the Bicentennial of the United States Constitution.

The Commonwealth of Pennsylvania is justifiably proud to be the state in which our federal Constitution was written and the shape and form of our national government forged: the site in 1787 of the Constitutional Convention with its historic debates on such critical constitutional issues as representative government and the delegation of power.

The Pennsylvania Humanities Council has distinguished itself, and by extension all state-based Humanities programs, through the development of a superb series of programs to prepare the people of the Commonwealth to celebrate with knowledge and understanding the 1987 Bicentennial of the Constitution. By that year these programs will literally have reached millions of citizens in the state, an effort which no single academic institution might have carried out.

After almost two years of planning, the Pennsylvania Humanities Council began implementation in 1984 of a six-part program leading to the 1987 Bicentennial celebration. That plan consists of an annual distinguished lecture and conference on the U.S. Constitution; numerous public reading and discussion groups led by political scientists, historians and scholars of jurisprudence and government, throughout the 629 libraries in the state; traveling exhibits and materials for schools; teacher training institutes; and Commonwealth speakers presentations on the Constitution.

In May of 1984, the plan was launched with a day and a half workshop for 120 college professors and high school teachers at Constitution Hall. The Conference, co-sponsored by the Pennsylvania Department of Education, introduced educators from across the state to a 13-part television series designed by Fred Friendly and produced for broadcast by PBS: "The Constitution: A Delicate Balance." Through newspaper supplements in Johnstown, Erie, Harrisburg, Allentown, Scranton, Philadelphia, Pittsburgh and State College more than 3 million Pennsylvanians, young and old, will in the coming year consider the meaning and significance of the U.S. Constitution - or 1/4 of the state's population. And the demand for these programs - for discussion groups and printed materials - has exceeded the Pennsylvania Humanities Council's financial ability to supply by four times.

While these excellent programs in Pennsylvania, as well as the effective work of 53 other state-based Humanities programs across the nation, have gained state and local as well as private sector respect and support, they would not be possible without the fullest support of the National Endowment for the Humanities. State-based Humanities programs, supported by the National Endowment for the Humanities, involve local citizens in a continuing dialogue on the vital issues of our culture. Federal support for these programs provides the necessary link for state, local and private participation.

Mr. YATES. Sir, Dr. Bryan.

Dr. BRYAN. Yes. If you don't mind, I will take a couple of those blue folders and I will give you some idea of things my organization has been involved in.

I am Charles Bryan, Director of the East Tennessee Historical Society, and looking over the hearing today, the schedule, I seem to be one of the few people representing a predominantly rural area of the United States. I would like to say that there are two important factors in the programs that we have been involved in. One is that we reach a very diverse audience, we reach an audience that is both urbanized—Knoxville, Chattanooga, Tri-State areas and also we serve a predominantly rural audience.

A second important factor in the program that we have been involved in is that we actively involve our audience in the learning and doing of history and doing of the humanities. Quite often history educational programs are more or less based on classroom models where a professional comes in and is the giver of the information and audiences sit there and simply absorb information. We strongly believe that the audience needs to participate. They learn more that way. We can all benefit greatly from that.

I would like to briefly mention some of the programs that we have been able to carry out over the past three or four years. Our most ambiguous one is the community history writing project. I brought you one of the examples of that from Hearth and Hoe. We went into several east Tennessee communities working with historical societies conducting intense workshops on how to do research and then they came to the hard part of having to interpret that information and write it and I might add, that they are doing excellent work, they are making or giving a major contribution to our understanding of Tennessee history.

This is a book on Union County, which is a relatively poor rural county. Mr. Tharpe is a foreman of a local chemical plant and Mr. Cummins a junior high school teacher, and if you will read this and examine the book, you will see that they have written excellent history. We have involved people, senior citizens, retired people, people in mountain communities. We have put together a very interesting documentary called "Tennessee, Unfinished Century", in which we screen and examine everyone in the State of Tennessee who is 100 years or older.

Mr. YATES. How many were there?

Mr. BRYAN. Approximately 180. There may be more out there.

Mr. YATES. Over 100?

Mr. BRYAN. And we were able to identify 11 of these people, interviewed them and put together a fascinating documentary called "Tennessee, the Eighteenth Century".

It is an interesting documentary. We are working in the area of a senior citizens center and having senior citizens examine their lives in the 20th century. We have changed more in this century than all others combined. At the beginning, hardly anyone had heard of Kitty Hawk, North Carolina. Yet now anyone can look at footprints on the moon. We are asking people to examine their lives in the 20th century, how and why they have changed.

This is benefiting the senior citizens, and we are bringing scholars in. This is of benefit to the scholars because they are in the process of teaching people about the Great Depression, yet they may not have lived through it. They are getting feedback on the home front during World War II. All of these programs would not be very possible without the Humanities. We have been able to receive $300,000 in grants over the past three years.

I can truly say that in the State of Tennessee, there would not be the support for this type of exciting innovative programming without NEH. We simply do not have it in the state, government, and the private resources are not there. NEH's management council has been essential to what we have been doing.

We have been doing exciting and innovative programs. We serve a 33-county region, people benefit greatly from what we are doing. The State of Tennessee has changed more in the past 20 or 30 years than the last 80 years. We need to prepare for that change. We need to carefully prepare and learn what we need to know, but, just as important, we must not forget our past. We must not forget where we come from, and some of the problems we have been involved in. Through the support of NEH, it helps us understand who we are and where we are going.

I strongly urge this committee to exert its full efforts to make sure the appropriations for NEH for 1987 benefit us all.

Mr. YATES. Thank you all very much for coming here.

[The statement of Dr. Bryan follows:]

East Tennessee Historical Society
500 W. Church Avenue • Knoxville, Tennessee 37902 • 615/523-0781

Statement by

Charles F. Bryan, Jr., Ph.D.

Executive Director

East Tennessee Historical Society

to

Interior Subcommittee of the

House Appropriations Committee

Sidney R. Yates, Chairman

March 19, 1986

East Tennessee Historical Society
500 W. Church Avenue • Knoxville, Tennessee 37902 • 615/523-0781

Over the past three and a half years, the East Tennessee Historical Society (ETHS), a private, not-for-profit organization founded in 1925 and headquartered in Knoxville, has received nearly $300,000 in grants directly from the National Endowment for the Humanities or indirectly from the Tennessee Humanities Council. These grants have gone to support some of the most exciting and innovative historical and adult educational programs that our region has ever seen; and much to our satisfaction these programs have been studied and are serving as models for adoption elsewhere in the United States. I can say without qualification that our NEH supported projects have done much to help many people in East Tennessee gain a greater interest in and better understanding of their past. And even more important, most ETHS projects funded by NEH have actively involved the public in the process of "doing history." Too often history education efforts work on a classroom model that places the professional in a traditional role of creator of history and the learners in the comparitively passive role of absorbers of information. With the support of NEH, the various ETHS programs that I will discuss briefly today are based on the conviction that people, particularly those who are self-motivated and self-directed, learn best and contribute more when they are active, in our case, actually "doing history." Indeed the major purpose of the ETHS community history program has been to teach citizens how to learn about their past in an effective and meaningful way. As a result, our understanding of state and local history in Tennessee has been greatly enriched and expanded.

I would now like to offer you a brief description of the NEH supported projects that we have been involved in.

In the fall of 1983, ETHS launched a unique community history project. With funds provided initially by the Tennessee Humanities Council and later by NEH, our organization sought to teach adult volunteers in several East Tennessee counties how to research and write their local history. We would oversee the publication of lively, accurate, and intelligent histories. Following the example of projects developed in Great Britain over the past twenty-five years, ETHS brought scholars and professional historians into rural communities to work with local historical societies scattered along the length and breadth of the Great Tennessee Valley. Working with groups of twenty to twenty-five people in each community, ETHS trained volunteers in the proper techniques of historical research, from using local government records, original manuscripts, newspapers, statistics, to conducting large numbers of oral interviews. A learning guidebook, which you have a copy of, was given to each volunteer. After several intensive training sessions, volunteers divided themselves into research teams and then went "into the field" to examine a particular aspect of their community's history. Some, for example, looked at the impact of the Great Depression on people and institutions in their communities. One looked at the World War II homefront. Others examined the period when they were being transformed from rural/agricultural communities to a more urbanized/industrialized society. Although our staff closely supervised and provided direction for their research, the volunteers themselves were the true scholars.

After over a year of research, volunteers then began the most difficult part of their job—interpretation of the research and writing. Again with ETHS supervision, our volunteers did the work themselves, going through the ordeal of writing, revising, editing, and preparing manuscripts for publication. The end results of their work have been several excellent books that effectively interpret local history.

Not only do these books help a large number of people in a particular community gain a better understanding of their past, several volunteers—amateur, lay historians—now have the tools to continue researching and writing good local history. One of the best examples of this is Union County, a relatively poor, predominantly rural area with a small population, yet possessing a strong, active local historical society. Working in close consultation with ETHS, the Union County group decided to examine the period in their history which most radically changed their lives—the 1920s and 30s, and the coming of the Tennessee Valley Authority. ETHS conducted a training workshop and then several volunteers began a year-long intensive research and writing endeavor. Headed by a chemical plant foreman and a high school social studies teacher, the Union County group produced the book From Hearth and Hoe: Union County, Tennessee, 1910-1940, a copy of which I have made available to each of you. On the back you will notice a list of other titles in the series. As you can see, this group of dedicated volunteer historians has produced a fine piece of work. We at ETHS are extremely proud of what they have done and it has been a pleasure to see this group of people grow in confidence and skills as they interpreted their history. Only a few days ago, Mr. Tharpe, Union County project director, asked if we could obtain additional funding for his group to produce a companion volume, examining life in the county since the coming of TVA.

The Union County book and others in the series will do much to help their respective local citizenry learn more about their history. Usually a thousand copies are printed, and are made available free of charge to all local schools and libraries. These books, however, have wider implications, for not only do they tell us something about a local community, they tell us about a time and a people and their institutions that we can all learn from. These books have been adopted and used in classes at the University of Tennessee, and much to our surprise and delight one volume in the series, Hard Times Remembered: A History of the Depression in McMinn County, Tennessee, has been used in a graduate seminar at New York University.

Although the ETHS Community History project has been our most ambitious program, we have conducted others funded by NEH or the Tennessee Humanities Council which have had a positive impact in our area.

"Streetcar City: Knoxville, 1876-1947" was a urban community project modeled somewhat after the book writing projects. Once again my staff and selected scholars from area colleges and universities trained amateurs in the proper methods of historical research. Rather than a book-length study, though, an interpretive exhibit was produced on the streetcar's impact on Knoxville's growth and development. Most of the volunteers in this project were retirees (we worked closely with area senior citizen centers) and they collectively put in hundreds of hours of time researching, making maps, collecting objects, and mounting the exhibit. When opened, thousands of Knoxvillians visited the exhibit and nearly thirty-five volunteers could take pride in having produced an exhibit that effectively interpreted an important phase in their city's history. (See enclosure)

Another project, funded in part by the Tennessee Humanities Council, has involved the screening and interviewing of everyone in the state of Tennessee who is one-hundred years of age or older. After many months in the field throughout Tennessee, we were able to produce a television documentary entitled "Tennessee: the Unfinished Century," which tells the story of how and why our state has changed radically in this century as seen through the eyes of people, most of whom were born when James A. Garfield or Chester A. Arthur were president. Recently broadcast in Knoxville, this special documentary will be distributed statewide, reaching and informing millions of viewers about this remarkable century. Tennessee is now undergoing significant changes and will continue to experience change. "The Unfinished Century" is providing us with a sensitive and thought-provoking portrait of how several unique people made the transition from a world of 19th century slow-moving rural values to one that is predominated by remarkable technological innovations and constantly shifting social forces.

Another related project, funded fully by NEH, is giving large numbers of senior citizens an opportunity to critically examine and gain a better understanding of the century in which they have spent their lives. Entitled "Journey Through the Twentieth Century," the program is being conducted in several senior citizen centers in central East Tennessee. Working with groups of twenty to twenty-five people, the ETHS staff and selected humanities scholars from area colleges and universities are presenting a series of lectures, films, assigned readings, and informal discussion sessions that carry the audiences on a chronological journey of critical inquiry. The program stresses the historical movements and themes that reflect the forces that transformed the face and character of America during the participants' lifetime: Technological innovations, the changing role of government, rural to urban migration, the emergence of the United States as a world power, and the Civil Rights movement.

While the ETHS staff and humanities scholars guide the readings, films, lectures, and discussions (see study guide), "Journey" is a two-way bridge between professional historians and a lay audience, for senior citizens reflect, analyze, and share their own experiences, not only for the benefit of their fellow participants, but just as much for the edification of the humanities scholars involved in the project. As Dr. Charles W. Johnson, associate professor of history at the University of Tennessee, commented: "The feedback from discussions with people who lived through the Twenties, the Great Depression, and World War II is an incredibly rich experience for me. No doubt much of what I am learning will end up in my lectures and benefit my own research and writing."

"Journey Through the Twentieth Century" has enabled ETHS to work actively in senior citizen centers, an important but largely neglected place for providing humanities programs designed specifically for retirees and senior adults. To date, no institution of higher learning or public library in our area provides regular humanities programming through senior citizen centers. Yet most senior citizens cannot afford the cost nor handle the logistics of attending classes at local colleges and universities. There is, however, a strong desire to be intellectually challenged. Ruth Peterson, program coordinator for a Knoxville senior center, observes: "The Historical Society's special programs are always well attended and are extremely popular. They seem to tap a strong desire on the part of senior adults to relive and understand the past and feel more comfortable about the present."

From limited surveys, our organization has been unable to find any other senior adult humanities program in the United States such as "Journey Through the Twentieth Century." Yet like our community history program, we hope that this project will serve as a model for other institutions to follow throughout the nation. Thus it has a virtually unlimited potential for creating a better understanding of history among many senior citizens. During this century, the East Tennessee region, the state of Tennessee, and the nation as a whole have undergone a remarkable transformation. The century began when few people had ever heard of Kitty Hawk, North Carolina, yet before the end of the sixth decade, the world had watched Americans leave footprints on the Moon. And the pace of change only seems to be accelerating. The United States, its people and institutions, will change dramatically in the decades to come. As we move into the future, it is essential that we plan for change. But in many ways, it is just as important that we not forget our past. In order to comprehend who we are and where we're going, it is essential that we have an understanding of our past, how and why we are what we are. A people with little knowledge of the past will be poorly prepared to cope with the issues of today and the challenges of the future.

The East Tennessee Historical Society is completely dedicated to helping the people in our region gain a better understanding of their past, especially now that we are on the verge of great population growth and change. We feel the type of programming we have been able to offer has done much to educate our citizenry and we are very proud of what we have been able to accomplish. Our efforts have resulted in several awards, including the prestigious Award of Merit from the American Association for State and Local History; and institutions from throughout the country are asking our relatively small, regional organization for ideas and further information. Most rewarding of all, however, has been the response received from the people we have served. Bill Akins, who headed our book writing project in McMinn County commented: "This has been the most fascinating educational experience in which our society has ever been involved. The public too has responded in a very positive, enthusiastic manner. Without doubt one of the greatest effects of this project has been to stimulate a great deal of interest in local history among our people, young and old alike.

Without the support of the National Endowment for the Humanities, none of these exciting and innovative educational programs would have been possible. Our organization simply does not have the resources to carry out such ambitious programs; state and private funding sources are inadequate in Tennessee as well. Therefore, speaking in behalf of the East Tennessee Historical Society and the many people it serves in a thirty-three county region, I ask that your commitee recommend NEH funding for 1987 at the level of FY 1986 appropriations in the amount of $138.6 million before the Gramm-Rudman-Hollings cuts. By so doing, you will be supporting an organization that stands for excellence and one that has provided unmeasurable benefits to the American public. We are grateful for the support of the Endowment and we are more than happy to give it our full endorsement. I hope that your committee will see the wisdom of giving it your full support also.

WEDNESDAY, MARCH 19, 1986.

NATIONAL ENDOWMENT FOR THE HUMANITIES

SCHOLARSHIP, RESEARCH AND HIGHER EDUCATION

WITNESSES

HILLIS MILLER, YALE UNIVERSITY; PRESIDENT, MODERN LANGUAGE ASSOCIATION

DR. PHYLLIS FRANKLIN, EXECUTIVE DIRECTOR, MODERN LANGUAGE ASSOCIATION

MERRILY TAYLOR, UNIVERSITY LIBRARIAN, BROWN UNIVERSITY; ASSOCIATION OF RESEARCH LIBRARIES

FREDERIC CASSIDY, UNIVERSITY OF WISCONSIN; EDITOR, DICTIONARY OF AMERICAN REGIONAL ENGLISH; AMERICAN DIALECT SOCIETY

GEORGE E. AYERS, PRESIDENT, CHICAGO STATE UNIVERSITY; ASSOCIATION OF AMERICAN COLLEGES

Mr. YATES. Panel three, Dr. Miller, Ms. Taylor, Dr. Cassidy and Dr. Ayers, we are very glad to have you.

Would you like to start it? You are Dr. Miller?

Dr. MILLER. Yes, I am.

Mr. YATES. Tell us why you are here. You are here to support the National Endowment for the Humanities?

Dr. MILLER. And to ask for support for the scholarship side. I am the current President of the Modern Language Association. That lady in the film is one of my predecessors, a friend of mine. I teach English at Yale and comparative literature. On July 1, I will be at the University of California in Irvine. So I span the country.

Mr. YATES. Are you leaving Yale for California? The winter is too cold?

Dr. MILLER. It is a long story. We will talk about that afterwards. I have been asked that question so often.

Mr. YATES. I shouldn't ask you why Shermotti quit, should I. That might be the same kind of question.

Dr. MILLER. I think it is the same kind of question. He has been at Yale for 14 years and feels it was time to go somewhere else. Both of us felt we should quit while we were ahead. When he went into the job, he was most anxious about not whether he could do it, it was a question of what he would do afterwards. He knew that at that age he couldn't go on forever.

Mr. YATES. Kind of like Alexander the Great. Where do you go?

Dr. MILLER. He doesn't know at this moment any certain career. He has got a lot of life left in him. Maybe you can help him find something to do.

Mr. YATES. It is too bad they didn't select him for baseball commissioner.

Dr. MILLER. He was serious about that. When we had that strike going on, he was telling his wife and friends, "See, if you would let me do that what I would have escaped."

Mr. YATES. It is too bad. I am sorry Yale is losing him. I think Yale could still use his talent, as I am sure it could use yours.

Dr. MILLER. He has a good successor, I think.

Mr. YATES. Tell us about humanities in college, God, country and Yale.

Dr. **Miller**. I have five very brief points. One is to emphasize this side of what the NEH does. The scholarship side is hard to measure because it is teaching, and books and articles that have a diffusive effect are a little hard to tell, but for that reason I think all the more important.

The second point is to present myself as a kind of show and tell. I have a present for you, which is a book——

Mr. **Yates**. Good for you. I love presents.

Dr. **Miller**. A book written under a NEH senior fellowship. I have the honor of having a second one next year. Both of those have come at crucial times in my life and have had tremendous importance to me professionally and even personally, as have similar fellowships. I have also been involved in three humanity centers that have had NEH funding, the North Carolina one, the Stanford Humanities Center one and the Yale one. The Yale one, which I know best, was begun with three grants from the NEH and now operates itself. It would be hard to measure the importance to Yale of that organization because in a big place like Yale, it is hard to see your colleagues, and few people are brought together there every year.

The third, and I think the most important side of NEH that I had to do with is the summer seminars for college teachers. I have been involved as director of all three of those.

Mr. **Yates**. Are they pretty good?

Dr. **Miller**. I think they are wonderful. I have had 36 participants follow them afterwards. I know that for many of those people—not because of my teaching but because they were brought together at a place where there is a big library and so forth—there was a time in their lives it was helpful to them.

Mr. **Yates**. If my memory serves me correctly, it is the first time a witness has come in to tell us how those things work.

Dr. **Miller**. I know those people, they go back and write books, write articles, they apply for more fellowships and so on. Many of them have gone on to have distinguished careers, usually remaining at the place where they were. You understand this is supposed to be a place that doesn't have a graduate program, and the ideas that come forth. So in my experience, I would say that is one of the best things the NEH has done.

The other three points are in the document, but I will mention them. One would be the effect of scholarship in the humanities on other fields. One example of that now, a controversial but lively one is the interchange between law and legal theory and literary theory. You might think of literary theory as so far out and unrelated to real life, it would have no practical cultural effect, but there is a lively interchange now, entirely different from anything I knew when I was in graduate school. The law school was over there, and we were over there, and now at Yale, there is a thing called the legal theory workshop which brings together people from the humanities and in law school to discuss common problems. That seems to be something the NEH has in one way or another helped to support.

The second of the three final things I want to emphasize is the moment in the teaching of the humanities we are at at this point. As you know, there was a lost generation of scholars in the 1970s who got Ph.D.s, couldn't get jobs and go to law school and so on. Now we are told in the 1990s, a third to half of the tenured teachers of the humanities will retire and suddenly there is a present need for new people trained in that area. There is an interesting article in the Sunday Times front page about the emphasis of Columbia, which is going to lose half its tenured faculty by then. So it is a moment when cutting back for support on training, teachers and scholars would be very bad.

And the final point has to do with foreign languages, where there is an equal urgency, I think, in what is going on now, partly through a very healthy return to emphasizing the study of foreign languages in a cultural context, about France and not just the French language. The same thing is happening, there is beginning to be an actual shortage of people qualified to teach languages. The states, in particular, where this is the case where there are language teaching requirements, it turns out they can't fulfill the mandate of the state because they haven't got enough people. Ohio, Tennessee, and Florida are the other states. NEH has a big role to play in that area, too.

[The statement of J. Hillis Miller follows:]

19 March 1986

Testimony for the Subcommittee on Interior

by J. Hillis Miller, President, Modern Language Association

I come before this committee to talk about the role that scholarship in the humanities plays in the intellectual and cultural life of this country.

I speak as a scholar who has benefited from support from the National Endowment for the Humanities and as president of the Modern Language Association, a century-old organization committed to promoting education, advanced study, and research in the modern languages and their literatures. I speak as well for colleagues throughout the country who teach and study other humanities disciplines in our schools, colleges, and universities.

Charged with curtailing the nation's budget, members of Congress face difficult and painful decisions and may be tempted to think that continued support for humanities scholarship, through the National Endowment for the Humanities, is not a compelling and self-evident need. I assure you that continued support is vital.

Scholarship in the humanities is essential to maintain and improve the kind of education we offer American youth. Not only do scholars unearth much of what we learn, developing the substance of the subjects young people study in our schools and colleges, scholars also explore the truths and theories that inform our understanding of the world. I do not overstate the case when I say that scholarship in the humanities underlies all phases and aspects of education: the training of teachers, the methods of teaching at the various levels, the development of school curricula, the design of college programs, and the shape of graduate studies.

But study and research in the humanities serve other national needs as well. They preserve the texts that record our intellectual, social, and political history, making the lessons of the past available to us, helping us interpret the present. They enrich us with the experiences of other times and other places, with the history, literature, and philosophy of the world and of the various ethnic groups that make up the nation. They lead to discoveries about men and women, parents and children that affect the fabric of society, guiding us in our continual quest to realize the national ideals of justice and equal opportunity. It is perhaps for this reason that James Madison argued that a democracy must see that "its political institutions are as favorable to . . . intellectual and moral improvement as they are conformable to . . . individual social rights."

Let me talk for a moment of my own field and of one way the intellectual activities of scholars are tied to interpretations of our rights as citizens. Although literary study may seem among the more arcane of humanistic pursuits, the theories of literary scholars about the way we analyze and interpret texts have influenced lawyers concerned with the interpretation of the law. Owen Fiss, a professor of the Yale Law School, has pointed to the importance of the connection between literary theory and interpretation of the Constitution. Jerry Frug, a professor at the Harvard Law School, comments in the New York Times Book Review on 16 February 1986, that "more and more lawyers these days . . . are using works of literature and the techniques of modern literary theory to explain and analyze their subject." Proponents of critical legal studies, for example, "argue that the law, like literature, is the product of--and a vehicle for creating--political and moral values." In other fields also the knowledge on which basic decisions rest depends on textual analysis. Thus scholarship in the humanities, far from being an expendable luxury in American life, helps to shape our culture and our institutions.

I call your attention to yet another reason why continued support for scholarship, through support for the National Endowment for the Humanities, is important. As you know, in the 1970s college students concerned about finding employment after graduation turned away from the liberal arts and enrolled instead in programs that promised clear and immediate employment opportunities after graduation. The widespread elimination of general education and foreign language requirements in the years preceding this shift in student interest further weakened enrollments in the humanities. As a result, humanities courses and programs were abandoned in many colleges and universities and many faculty positions in the humanities were left vacant. Within the humanities associations we now talk about a lost generation of scholars, those who could not find academic employment in the 1970s and the early years of this decade and who left the academy. Higher education will feel their loss as this generation of senior professors retires.

Now, however, after years of retrenchment the situation is changing. A recent survey conducted by the Modern Language Association indicates that student interest in the humanities is returning, for almost 40% of the English departments participating in the survey report an increase in the number of majors since 1980. Projected demographic changes also encourage us to look forward to improved opportunities for humanities scholars as we approach the end of this century. We are at a critical point, then, as we work to strengthen the humanities. Withdrawal of support for humanities scholars and for the strengthening of undergraduate and graduate programs at this time would damage far more than the individual scholars and programs denied support for their projects. It would severly hamper efforts to overcome past difficulties and to anticipate future needs. We have already lost one generation of humanities scholars. Must we lose yet another generation? If so, the quality of American higher education will suffer.

You should also know that timing is critical with regard to the sustaining of international studies and the study of foreign languages and cultures as a source of information and insights on other nations and on global issues. A remarkable consensus on the part of the Congress; the governors and legislatures of nearly all of the states; educational leaders in both schools and colleges; and leaders in business, industry, and the media has led to an expansion of study programs, a growing trend toward restoration of core curricular requirements in language study, and finally, after many years of decline, a noticeable increase in enrollments in language courses. And growth comes at a time when there is a substantial broadening in the content and objectives of language study.

Thus far the federal government has played a significant role in this national renewal in language and culture studies through a number of established and well managed programs, including those of the Department of Education, the United States Information Agency, and the National Endowment for the Humanities. The endowment in particular has supported institutes and workshops for retraining and refreshing school, college, and university faculty members; research grants and fellowships for scholars working in the traditional fields of literary and cultural studies; projects designed to increase the efficiency and efficacy of language instruction or to strengthen the study of language through the use of materials relating to other disciplines; and projects designed to break down barriers between school and college-level instructional programs and foster collaboration among teachers.

As intended by the Congress, federal investment in foreign language studies and Congressional recognition of their importance to the national interest have inspired the states to appropriate action. By restoring academic core requirements and mandating language study for the attainment of degrees, the states have demonstrated their willingness to contribute to this national effort. Indeed, in some school districts and state universities and colleges around the country, the demand for language instruction has now grown to the point where institutions are finding themselves insufficiently staffed to provide the mandated instructional services. After a decade of retrenchment, a number of school districts across the country are reporting shortages of language teachers nearly as severe as the shortages in mathematics and science; at some state universities, language classes have had to be closed for lack of teaching staff.

As the states and local districts attempt to find ways to reallocate resources to meet these new demands, they need reassurance of the significance of their investment. Similarly, future teachers and other language specialists need the same reassurance before they invest time and effort in professional training for careers that, until recently, have not been attractive. During the last few years, the federal government has sent a clear signal concerning the national importance of the study of foreign languages and cultures. Clearly, 1986 is no time to change signals; rather, it is a time to sustain what has been begun and to make clear to the states, local school districts, private foundations, leaders, future teachers, and the public that substantial, high-quality programs in languages and international studies are vital to the national interest.

This is a crucial time for the humanities. After a difficult period, we are gaining momentum. Calling a halt to continued support for the National Endowment for the Humanities at this time would mean incalculable loss. The endowment rightly claims that "the pursuit of knowledge by individual scholars eventually determines society's collective resources of learning." Those resources are invaluable. Investment in the endowment in support of scholarship is small, we think; the return is vast.

Mr. **Yates**. Thank you very much. I like support for NEH. I try to get more support from NEH itself when it comes in. I have more trouble from NEH than the people who come in support of it. They don't want to spend the money, they say; and I think they are wrong. At any rate, that is a confrontation which we will have later on.

Are you Ms. Taylor?

Ms. **Taylor**. Yes.

Mr. **Yates**. I love your first name. You are the University Librarian from Brown, and I have been reading about Brown.

Ms. **Taylor**. We have been getting a lot of press recently.

Mr. **Yates**. Yes, you have, and not related to J. Carter Brown or John Brown.

Ms. **Taylor**. We are cousins.

Mr. **Yates**. Your formal statement may be part of the record.

Ms. **Taylor**. One of the things in that formal statement I would like to say, Mr. Chairman, is to thank you very much for your support for the humanities.

Mr. **Yates**. I wish I could support you more. You started out in the humanities with appropriations equal to those for the arts, but somewhere along the line, it faded, and now you get substantially less than the arts, I am afraid. I think there is so much for you to offer, but I have had to fight Mr. Bennett and now other people, and it has been very tough. At any rate, I am taking your time, and I shouldn't.

Ms. **Taylor**. In a good cause. I was thinking, when I was considering what I wanted to say here, that if I were in Congress I would——

Mr. **Yates**. Why don't you try for it? We could use you.

Ms. **Taylor**. I am needed where I am.

Mr. **Yates**. That is a good reason.

Ms. **Taylor**. I would want to be able to look the taxpayer in the eye and say in any given program an individual had gotten the full value for the taxpayers' money, and one of the things that I feel very strongly about NEH, particularly when it comes to library programs, is that you can say that, in effect, the American taxpayer has gotten more than the simple value of the dollar the Government has put in.

One of the reasons for that is that NEH has provided seed money for cooperative programs which would not have gotten started otherwise and has always attracted a great deal of additional money from the private sector and from private resources.

In my statement, there is quite a bit of detail about the programs which NEH funds in preservation and access to library materials and research materials, and, of course, the reason that that is so important, I think many of the speakers today have really touched on it, if the materials are not preserved and scholars around the country and citizens are not made aware of that fact and where those materials are, then you have no research, and you have no scholarship and ultimately you have no product, and it is hard sometimes in the humanities to design what the product is, but certainly a better educated and well-rounded citizenry is one such product.

I thought it would be useful today, particularly as you get to the end of a long afternoon in a warm room, if I talked a little bit about one institution, the Brown University Library, and what we have done with NEH money. And so for that reason I brought, like the other panelists, some goodies, some of which you may keep, but some of which you may not.

Mr. YATES. Would you tell us which?

Ms. TAYLOR. I will indeed. Let me tell you why I brought these particular things.

Mr. YATES. Okay.

Ms. TAYLOR. One of the things that NEH has funded, both at Brown, and, of course, in other institutions——

Mr. YATES. I forgot to ask you, Dr. Miller, may I keep your book?

Dr. MILLER. That is for you. It has a tender inscription inside.

Mr. YATES. Bless you. Thank you very much. I will read it. We are going on vacation next week.

Ms. TAYLOR. One of the things that NEH has funded, of course, is the preservation of research materials, and Brown has been involved with this in two ways. First, in 1978, we had a NEH challenge grant to renovate the library, which is a special collections library at Brown, and what we did in that renovation in part was put in a very modern preservation facility. I brought with me a couple of the rare books which have been treated in that facility. This one is a book called "The Escape". It is by a man named William Wells Brown, who was a slave. He wrote that play in 1858, and what he would do would be go around the country and read it aloud to abolition groups. It was a great success, he apparently was a fine actor and reader, and that is one of only seven copies that we know of in this country.

Literature by black Americans prior to the Civil War is extremely rare, and that copy has been treated, acid has been removed from the paper and has been rebound all in a conservation facility that was made possible by a NEH challenge grant. I might add that in that grant, NEH gave us $525,000, and we raised more than $1.75 million from Brown alumni and private sources, so we far exceeded the match. This one you must treat tenderly——

Mr. YATES. Gingerly.

Ms. TAYLOR. This has not been treated, the copy itself. That is the first published work by William Carlos Williams, the great American poet, it was inscribed to his then girlfriend, who subsequently became his sister-in-law, and I don't know why——

Mr. YATES. Her name is Charlotte.

Ms. TAYLOR. Indeed. That copy has been microfilmed for preservation purposes and catalogued as part of a project by the research libraries group, which is being funded by NEH.

Dr. MILLER. This process cost roughly about $35 per item, and, of course, it will preserve the content of this book, so that this, which is in very poor condition, will not have to be used itself. But both of these are extremely rare. This one is valued at about $20,000.

Mr. YATES. That is in your library. Suppose a student asks to see it.

Ms. TAYLOR. They would be allowed to see the film copy unless there was a real desperate need for them to handle the original.

Mr. YATES. All these are microfilmed?

Ms. **Taylor**. This has been microfilmed, yes. This one we have not microfilmed, but treated the original. This one will later be treated. It simply hasn't been done yet. There are many different ways of preserving materials, and microfilm is one of the most popular right now.

One of the other things NEH does, of course, is support programs by which people can be brought in contact with materials of this nature, and be made aware that they exist. We have two very successful such projects at Brown. Now this is the material that you can keep.

Mr. **Yates**. I look forward to it.

Ms. **Taylor**. In the summer of 1984, we sponsored a conference on Abraham Lincoln and the American political tradition. This is because Brown has a major Lincoln collection, and we brought in over 200 people from around the country, including some of the major living—well, of course living, Lincoln scholars. If they had not been living, it would have been even more remarkable.

But we brought these folks together, the scholars presented papers, which, of course, they could not have done had they not had the material preserved in research libraries to use. Everyone who went had a wonderful time, NEH has supported the publication of that series of papers which you have in your hand and the smaller book, which is an offprint, is a guide to Brown's Lincoln collection, which will be used for many years to come by scholars in knowing what is there.

So these are simply some things that illustrate the long-term benefit which the research institutions of this country get from NEH. In looking at the present budget that has been proposed, we are looking at what could be a 52 percent cut in the humanities programs and libraries section, and we are concerned about that and would like to see NEH support it at its current level, if not more than that.

Mr. **Yates**. Didn't they want to close down the library appropriations, as I remember? NEH did, I thought, last year.

Ms. **Taylor**. They did at one point, but not too recently.

Mr. **Yates**. The libraries do some good work, don't they?

Ms. **Taylor**. Indeed.

Mr. **Yates**. Is your library open evenings for students?

Ms. **Taylor**. Indeed.

Mr. **Yates**. So is the Library of Congress, which——

Ms. **Taylor**. What happens at the Library of Congress will be a real tragedy for American libraries if something isn't done. We rely heavily on them for much of our own work.

Mr. **Yates**. This is the central institution?

Ms. **Taylor**. Yes, it is.

At Brown, we have something on the order of 85 percent of cataloguing we do comes from the Library of Congress, and what you are doing by cutting the Library of Congress is you are shifting the burden of coping with that material onto institutions which are simply not staffed, nor in any way supported, to cope with it, and materials simply will not get processed. It is an irony in a sense, because we are all working very hard to try to put more of our own resources into things to not depend too much on the Federal Government, to try to raise outside money, and yet as the ante keeps going up, that is going to be harder and harder if we don't get Federal support.

One more thing I want to tell you, because again it illustrates how NEH stimulates additional fund raising and activity in our institutions. We just received from NEH this fall a $750,000 challenge grant to raise an endowment for acquisitions in the humanities in the library, and since the time that was announced, we have seen gifts go up very dramatically, and most recently the entire—from other sources.

Mr. **Yates**. Private sources?

Ms. **Taylor**. Yes. Including individuals. But the thing I think that pleased me the most was that within the last couple of weeks, the entire senior class of 1986 voted to give its entire class gift to the library to match the NEH challenge.

Mr. **Yates**. I think that is a tribute to you.

Ms. **Taylor**. And a tribute to NEH. These are young people, and it is a recognition on their part of the importance of the library and the program.

Mr. **Yates**. Thank you very much.

[The statement of Ms. Taylor follows:]

Association of Research Libraries
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Statement Submitted By The Association of Research Libraries

On Funding For The

National Endowment for the Humanities

Presented By

Merrily E. Taylor

University Librarian

Brown University

Before the Subcommittee on

Appropriations for the Interior Department and Related Agencies

U.S. House of Representatives

March 19, 1986

It is a pleasure to join with colleagues from the National Humanities Alliance to support Fiscal Year 1987 appropriations for the National Endowment for the Humanities that at least maintain current services. Specifically, we recommend a funding level of $145,577,000 (based on the amount appropriated by Congress for FY 86 prior to the 4.3% across the board reduction - $138,640,000 — plus the 5% that the Congressional Budget Office estimates will allow for inflation.)

I appear on this panel as a representative of the Association of Research Libraries (ARL). ARL is an association of 118 of the largest university and other research libraries in the United States and Canada. A list of ARL members is attached to my testimony. However, I wish to emphasize that while I am a librarian representing an organization of libraries, I speak in support of programs that serve the ultimate goal of advancing scholarship and a better understanding of the humanities. The quality of scholarly investigation in the humanities is dependent on the scholar's access to research resources — a primary source of which is one or more of the research libraries in North America. Libraries serve as critical links in the chain of research by collecting past scholarship, preserving it, and making it available for current and future generations. Therefore when NEH makes awards to research libraries it contributes directly to scholars now and in the future who require access to these rich collections of research resources.

Mr. Chairman, your unrelenting support of the arts and humanities and your leadership within the Congress to secure meaningful federal support for NEH and NEA is widely known, appreciated and admired. We are grateful to you for your attention to issues of the humanities and for the contributions you have made toward shaping quality Endowment programs. We are aware that the federal deficit makes it increasingly difficult for you to convince some of your colleagues that federal support for the humanities and the arts must be maintained. With this sincere "preamble" of thanks for your leadership, we offer the following testimony that from our perspective, and I expect yours as well, is a statement of the obvious — the need for continuance of NEH programs based on the success of previously funded projects and the enormous need that still awaits the attention of teachers, researchers, archivists and librarians who are qualified and willing to undertake projects that advance learning and contribute to an understanding and appreciation of the humanities.

ARL supports appropriations for all NEH programs and therefore opposes the Administration budget request both in level and in the distribution of funding that inflict severe cuts in public programs.

The Administration proposes a 52% reduction in the Humanities Projects in Libraries program - a cut of $1.4 million. Such a reduction would be devastating - resulting in fewer projects and reaching fewer citizens. ARL is opposed to the proposal to single this program out for a drastic cut in funding. Many of us look forward to the upcoming Bicentennial of the Constitution as an occasion to capture the interest of people in the history of this country and increase their awareness of the principles of our democracy. Libraries are in an ideal position to provide programs and material to help people learn more about THIS Bicentennial. It would be a sad irony if a program designed to assist in reaching general audiences with quality programs in the humanities were cut in half on the eve of the Bicentennial.

A survey of member libraries of ARL indicated their priority in the area of humanities research to be preservation of research library materials. A survey of scholars conducted by the National Humanities Alliance confirms this priority. It was therfore welcome news last year when NEH expanded its response to this national need by establishing the Office of Preservation.

The creation of the Office in no way marked the beginning of the Endowment's interest and support in the area of preservation but was instead a culmination of previous NEH interest and support in this important area. Since 1979, through the Research Resources Program, NEH has supported programs that have contributed to the development of strategies for addressing preservation needs and the infrastructure necessary to carry out these strategies. The Endowment has also been instrumental in increasing the awareness of the importance of the issue within the library and archival communities. To recognize these efforts, ARL adopted a formal statement of support and gratitude for NEH initiative in establishment of the Office of Preservation and its continuing support of preservation activities. A copy of this statement is attached to my testimony.

Continued NEH support for preservation activity is critical in order to maintain national momentum — especially now as the size of the problem is expected to increase substantially. Recent studies indicate that, depending on the age and nature of the research library collection, one quarter to one half of the volumes held is already in such poor condition that further use by circulation or photocopying will result in loss of text. In addition, all but 10% of the remainder of the book collections will eventually reach this state of deterioration. Since age is a major contributing factor to the deterioration process, each year the problem gets larger as increasing numbers of books arrive at an age where they require attention. To make matters worse, the increase will not be steady but will expand rapidly because of the distribution of publication dates of books held by libraries. Due to increases in publishing and in library collecting activity, research library collections hold more late 19th century volumes than mid 19th century volumes. As a consequence, a century later, the nation must accelerate preservation activity or face accelerated loss of material. The potential loss to future scholarship of such large segments of the nation's research resources is staggering.

It is clear that no one source of funding or one facility will be able to take on all the preservation work that needs to be done. The government, private foundations, universities and research centers - all have roles to play in contributing as much as possible. The funds currently available to the Office of Preservation, while less than the $5 million we had hoped for, are a compelling force within the national commitment that has grown over the last five years. Funds awarded by NEH provide two advantages beyond the value of the dollars: recognition of the importance of the project and assurance that the results will be of the highest quality and readily accessible. When NEH supports a preservation program it demonstrates Federal government concern that is important in attracting additional money from other sources. In addition, NEH support assures that national standards and specifications (for preservation work and bibliographic control of the material treated) are observed.

Given the importance and urgency of current preservation initiatives to future humanists who will expect and deserve access to no less research material than current scholars, let me address how the Research Division Access Program and the Office of Preservation program operate in tandem to support programs that address these preservation needs.

In 1981 the Research Division launched the U.S Newspaper Program to catalog and preserve an estimated 300,000 separate titles of newspapers published in the United States. At present, under the Office of Preservation, this program has 22 projects operating in 16 states and in 6 national repositories. About 45,000 titles are already cataloged and included in a widely available database. However, a significant portion of the work remains to be done. The Program has generated considerable national attention that has encouraged more states to want to participate and NEH reports they could bring between 7 and 9 additional states into the Program within the next year. In addition, it is anticipated that the preservation microfilming component of the Program could be implemented within the next 12 months.

The U.S. Newspaper Program illustrates the interlocking elements of the access and preservation. Inadequate bibliographic access leads to inefficient and overlapping preservation programs. Given the enormous amount of material to be preserved, the urgency to move ahead as quickly as possible, and the limited funding available, duplication must be avoided. Technology provides a reasonable solution: register local decisions to preserve a book, newspaper or any research material in a widely available database to alert others that the title need not be treated elsewhere and that the title is, or will be, available for use. Reasonable access to information about what titles have already been preserved or identified for treatment is a basic element of the infrastructure necessary to move this national objective ahead in a cooperative and expeditious manner. In short, we require basic bibliographic structure in place to make wise preservation decisions.

Another illustration of how access and preservation interrelate and how NEH seed money can launch a project that subsequently receives support from other sources is the ARL Microform Project. In 1979, NEH awarded ARL a grant to study the bibliographic access provided for microforms — a format used with increasing frequency for publication of large sets of material and for preservation. The study resulted in plans for the cooperative creation and dissemination of bibliographic records for titles in microform and the ARL Microform Project was established to implement these plans. NEH awarded ARL a grant to address issues related to preservation microforms and its support was instrumental in securing foundation support to address matters related to microform sets. Both components of the Microform Project have since become an integral part of ARL ongoing activities. As a direct result of the project, the OCLC Online Computer Library Center, Inc. adopted a program to encourage libraries to participate in cooperative cataloging of microform sets. Nearly 165,000 titles have been or are in the process of being cataloged. OCLC then makes these records available in a very efficient way for far less than the cost of traditional title by title cataloging.

An international cooperative project made possible by support from the NEH Access Program that must be acknowledged is the Eighteenth Century Short Title Catalog (ESTC). This project will make an enormous difference in scholars' abilities to have access to all English-language material published between 1660 and 1800. This program identifies, catalogs and describes books and other research materials and gives locations where they are available for use. As records of the material are completed, they are included in an online database and may be consulted by scholars in at least 360 different libraries across the country. While the ESTC project is an access rather than a preservation project, it has contributed to preservation efforts. A private company has taken the initiative to provide archival quality microfilm for all the material listed in the database knowing that as the records for this material become available, the market for the film will be significant enough to support the business endeavor.

NEH support for the ESTC project helped to attract increasing amounts of funding from private foundations and also stimulated significant institutional contributions toward the project. The nearly 500 libraries in the U.S. and Canada that participate in the program have to date contributed over 850,000 records that describe library holdings of material published during this period. The cost of this participation varies from library to library because of differences in time and materials needed to create the records. It is reasonable to assume however that the total in-kind contribution made to the ESTC by participating libraries amounts to at least $500,000 and may be considerably greater.

NEH has supported two Research Libraries Group, Inc. (RLG) projects that contribute significantly to preservation microfilming activity and serve as models for future cooperative efforts. In addition, the projects have resulted in a database of preservation microfilming information that is of value to preservation administrators and scholars and which has already begun to attract contributions of additional information from other libraries. The first project resulted in information about 22,000 preservation microfilms of scholarly books, pamphlets and serials that are available in ten research libraries. The second project, supported with both NEH and a matching private foundation award, provides for the filming of the contents and cataloging of Americana and books and periodicals published in the U.S. between 1870 and 1920. By the time the project is completed, over 45,000 titles will have been filmed and described.

All titles filmed and identified for filming by libraries in the RLG projects, plus routine brittle book filming undertaken by any RLG library, is described in an online database as well as in a microfiche catalog. At present this file contains over 47,000 records. In providing funding for this project, NEH has attracted interest and support from other funding sources - both government and private. For example, as part of the project, the University of Michigan contributes information about material in the fields of economics, sociology, political science, and technology. With an award from the Department of Education HEA Title II-C program, the University of Michigan Library is also able to submit information about material in the field of history. In another case, New York Public Library provided additional records to the database through a project partially funded by the Andrew W. Mellon Foundation.

Directors of research libraries recognize that individual research libraries bear responsibility for preserving their collections as part of the collective research resources of North America. Some indications of this local commitment include:

> A recent survey demonstrates that 97 research libraries spent almost $39 million last year on preservation activities.
>
> Records maintained at the Columbia University School of Library Service show that the number of openings for jobs that include primary responsibility for preservation and conservation operations has quintupled since 1980. This increase is attributed to administrative decisions to add and/or reallocate positions into preservation operations to support a priority program.
>
> The NEH supported ARL Preservation Planning Program that enabled ten research libraries to plan and implement a preservation planning program included a modest stipend to the participating institutions. However, the stipend came no where near what would be required to fully compensate for all the staff time and expenses incurred. For example, staff at the library of SUNY-Stony Brook, which received a $1000 stipend, allocated 1614 hours to the project — time mostly spent in planning and project administration.

A commitment to further increase local institutional support to address the preservation challenge is represented by ARL Membership adoption of a statement called "Minimum Preservation Efforts in ARL Libraries." The guidelines in this statement address what constitutes a desirable and practical level of preservation effort that each library should seek to attain and concludes that a library should allocate to preservation activities an amount equal to at least 4% of its total expenditures. It is expected that this minimum level will achieve equilibrium between progress made in preservation and the rate of deterioration of material. This goal will increase the level of institutional support for preservation from the current $39 million to over $53 million. It is hoped that this goal may be met by the end of this decade.

Because this accelerated effort is expected only to keep up with current deterioration, the vast amount of material already deteriorated will be left untouched without a massive influx of funds.

Given the level of support from libraries and the institutions supporting them, the NEH contribution may seem small. However, it is significant money because of the source, the pattern of selecting projects that serve as models and stimulus for additional contributions, and the success in assisting institutions to attract additional support from nonfederal public and private sources. The lack of federal funds will not stop the national effort but it would slow it down considerably - and preservation is an activity we must address with a sense of urgency.

Thank you for this opportunity to testify. I will be happy to answer any questions you may have.

Statement of Support and Gratitude
for the
National Endowment for the Humanities

Whereas, there is substantial evidence that the intellectual heritage of our nation is threatened by deterioration of library collections; and

Whereas, past National Endowment for the Humanities grants have helped to create a cadre of trained preservation specialists and have also increased awareness of the importance of the issue within the library and archival communities; and

Whereas, there are now available a range of technical solutions that make it possible to preserve the information contained in library collections; and

Whereas, the cost of accomplishing this preservation remains a major barrier for libraries; now, therefore, be it

Resolved, that the Association of Research Libraries support the initiative taken by the National Endowment for the Humanities to establish an Office of Preservation and express gratitude to the NEH for its continuing support of preservation activities.

Adopted by the Board of Directors of the
Association of Research Libraries
May 14, 1985

ASSOCIATION OF RESEARCH LIBRARIES

Founded in 1932, the Association of Research Libraries is an organization of 118 of the largest university and other research libraries in the United States and Canada.

National Libraries:
- Canada Institute for Scientific and Technical Information
- Library of Congress
- National Agricultural Library
- National Library of Canada
- National Library of Medicine

Special Libraries:
- Center for Research Libraries
- Linda Hall Library
- Smithsonian Institution Libraries

Public Libraries:
- Boston Public Library
- New York Public Library
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Miami
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Nebraska
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North Carolina
North Carolina State
Northwestern
Notre Dame
Ohio State
Oklahoma
Oklahoma State
Oregon
Pennsylvania
Pennsylvania State
Pittsburgh
Princeton
Purdue
Queen's
Rice
Rochester
Rutgers
Saskatchewan
South Carolina
Southern California
Southern Illinois
Stanford
SUNY Albany
SUNY Buffalo
SUNY Stony Brook
Syracuse
Temple
Tennessee
Texas
Texas A&M
Toronto
Tulane
Utah
Vanderbilt
Virginia
Virginia Poly.
Washington
Washington State
Washington, St. Louis
Waterloo
Wayne State
Western Ontario
Wisconsin
Yale
York

Mr. Yates. Now we have Dr. Cassidy. Dr. Cassidy, you may testify from the Dictionary of American Regional English. Now, this was put together as a result of the grant from the National Endowment for the Humanities?

Dr. Cassidy. The National Endowment for the Humanities has been our chief source. We started it before NEH existed. We got the first grant from the old Office of Education, and then when they went out of the business, so to speak, they transferred us to the NEH, and NEH has been supporting us for 14 years with a few outright grants, but mostly with matching grants. And so they have had a very good effect.

What they have done is to make the foundations carry much of the burden and match what they could get from foundations. Now this is only the first volume of five. This covers the letters A, B, C. This covers the entire United States, all 50 states. In other words, it is one of the largest, most extensive projects NEH has supported, and we would never have been able to do it without Government help. They could have got some money, no doubt, from foundations, but without Government help—I have always had some help from the National Government Foundation, of course, that can't be matched by NEH.

Mr. Yates. How long will it take you to put the other four volumes out?

Dr. Cassidy. If we can get adequate funding, we can probably do it in 12 years because all of the material has been collected. What we have to do is edit it.

Mr. Yates. I see. It looks like a very interesting and valuable work.

Dr. Cassidy. Well, we have had tremendous, tremendous support. I have 25 copies of a document I submitted——

Mr. Yates. We will put that in the record.

Dr. Cassidy. That is an outline of it. Among other things, I mention here the fact that we have notices, reviews or notices in all of the important papers, Washington Post, New York Times, Boston Globe, Chronicle of Higher Education, Toronto Globe and a dozen more. They have all been quite fascinated by it because it covers the kinds of language we all know but which doesn't usually get into dictionaries.

Mr. Yates. The only thing you don't have in there is the accent of the spoken word.

Dr. Cassidy. Of what?

Mr. Yates. Of the spoken word.

Dr. Cassidy. Indeed. A most unique thing about this dictionary, if I may say so, is the fact that other dictionaries go to printed sources for what they put in, we spent five years sending trained field workers to 50 states to chosen communities, 1,002 of them, and speaking with people, chosen people, having interviews directly, and getting the spoken word from them.

Mr. Yates. And getting the intonation?

Dr. Cassidy. And getting the intonation. There is a whole section on pronunciation.

Mr. Yates. Sort of like a bird book for bird calls.

Dr. Cassidy. Something like that, except we have tape recorders also, and we have 1,000—no, that is right, 1,083—that is the wrong number, but it doesn't matter. In any case, we have a large number of tape recordings of interviews with people when they just simply were asked to talk about something they knew better than anybody else, so they thought. Anyway, something they knew very well. So we have ad lib speech from Americans of every kind, and that is what is unique about this dictionary. Of course, we have some other very nice features.

Mr. **Yates**. It sounds like a very good dictionary.

Dr. **Cassidy**. It is the sort of thing that could not even be started and certainly couldn't be finished without some source you could depend on, a going source, something that isn't going to disappear under your feet, and that is what NEH is, or should be.

Mr. **Yates**. Well, I will tell them when they come before us for their appropriation that they have done some good work.

Dr. **Cassidy**. I should certainly hope so. In this document I have some examples of what the news people have said about it and one or two scholars have said about it.

[The statement of Frederic Cassidy follows:]

DICTIONARY OF AMERICAN REGIONAL ENGLISH
THE AMERICAN DIALECT SOCIETY

DEPARTMENT OF ENGLISH
UNIVERSITY OF WISCONSIN
6125 HELEN C. WHITE HALL

600 NORTH PARK STREET
MADISON, WISCONSIN 53706
TELEPHONE: 608-263-3810

19 March 1986

Interior Subcommittee
House Appropriations Committee
Rayburn House Office Building B308
Washington, D.C.

Members:

This is my testimony, in support of the National Humanities Alliance, and on behalf of the National Endowment for the Humanities. I have just completed and published (Harvard University Press, September 1985) the first volume of my *Dictionary of American Regional English* (*DARE*), and can affirm gratefully that without NEH support, publication could never have been achieved. Help also came from the National Science Foundation and a number of public Foundations (Rockefeller, Mellon, etc), but NEH was the chief and loyal source of support. (NEH's "matching grant" method encouraged outside Foundation support.) Long-term projects like *DARE* are especially difficult to judge, but NEH kept close touch, sent teams to follow our progress, contributed ideas for improving the work, and had the imagination and faith to see the value of what I and my staff were doing.

The appearance of our Volume I has made a considerable stir nationwide: it has been most favorably reviewed in all the leading publications (*Washington Post*, *New York Times*, *Time*, *Newsweek*, *Boston Globe*, *Wall Street Journal*, *Chronicle of Higher Education*, *Toronto Globe*, and many more). It is a unique production, combining the highest scholarly standards with interest and readability for the general public. It has proved once again that Americans are proud of our contributions to the English language, that every state has taken part, and that vitality and creativeness are everywhere. The first volume is a good beginning, covering the general introduction and the letters A,B,C. Four more volumes are in preparation which will complete the alphabet. As a reference tool, *DARE* is particularly careful of accuracy — we have made every effort to get our facts right, with correct dates, quotations, and references — everything which would keep the quality as high as possible. This necessarily takes time, but the result is a reliable reference work.

Though *DARE* is only one of the many scholarly works in the field of Humanities that NEH supports, I think it illustrates what can be done only if steady continuing support is given. More than that: as the Humanities are a force for greater humanization of people, they become a necessity in a nation of the people, by the people, and for the people. It is therefore a matter of political wisdom, and every other kind of wisdom, that governmental support should be given to every humanizing activity and be made accessible to people throughout the nation. Aids to young scholars, to museums and libraries where knowledge can be gained and creativeness grow and flourish – all these are vital to our national health and future. The NEH, since its inception, has exercised just such a positive force. As a direct beneficiary I see this most clearly, but I do not speak for myself alone. I urge the Committee as strongly as possible not to diminish the capacity of NEH to continue its excellent work.

Frederic G. Cassidy

Frederic G. Cassidy
Chief Editor
Dictionary of American Regional English

FGC:cw
Attachments

The Washington Post

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SATURDAY, AUGUST 24, 1985

Collecting the Words of America—From A to C

By David Remnick
Washington Post Staff Writer

MADISON, Wis.—Walt Whitman once envisioned a "Real Dictionary that will give all the words that exist in use, the bad words as well as any." Next month, 130 years after asking for it, Whitman gets his book—the first volume of a monumental new work of scholarship, the "Dictionary of American Regional English" (DARE).

DARE was first planned in the 19th century and has been a work-in-progress at the University of Wisconsin since 1965. Editors and researchers went to 1,000 burgs, burbs and backwaters around the nation, collecting samples of the true and complete American language.

They discovered, among much else, the more than 200 ways Americans refer to an outdoor toilet, including: privy, outhouse, backhouse, one-holer, lilac lodge, Maggie and Jiggs, First National Bank, half-moon and hooter. Belknap Press will publish thousands of such treasures when it issues "A-C," the first of five volumes, in early September.

DARE is a unique tribute to the richness of American English, preserving countless variations of regional speech and tracking their origins by means of small maps and extensive definitions.

"There has never been a dictionary like this," says DARE's chief editor, Frederic G. Cassidy. "Our language is one of the most important and beautiful things we have. This

See DICTIONARY, A6, Col. 1

A6 SATURDAY, AUGUST 24, 1985 THE WASHINGTON POST

Retired Professor Leads Search for Words

DICTIONARY, From A1

dictionary is a way of appreciating the language as it's spoken all over the United States."

DARE reveals the American language expanding wondrously in every corner and county. Imagine Whitman's delight at an entry such as "astamagootis"—a term in parts of New Jersey and Iowa for a worrywart. According to DARE it probably derives from the Dutch "*als het maar goed is*," meaning "If only everything turns out well."

Though it comes too late for the early masters of American literature, Cassidy hopes that DARE, with all its linguistic jewels, will be finished by the end of the decade. Cassidy, an emeritus professor of English at Wisconsin, received the first completed volume of DARE the other day in Madison and he and his staff held a modest party to celebrate.

"But we're by no means done," he says. "I'm 78 years old and there are still four volumes to do—D-I, J-R, S-Z and a fifth volume that will include our bibliography and the answers to our questionnaires. D, E and F are complete. My health is excellent, but I don't have forever, you know. I didn't expect it would take this long but we kept getting good stuff. Now it's a race between the two of us: the dictionary and me."

For his "Dictionary of the English Language" (1775), Dr. Samuel Johnson defined "lexicographer" as "a writer of dictionaries; a harmless drudge."

"Johnson is the presiding genius here," Cassidy says, pointing to a portrait hanging near his desk. Johnson, unlike Cassidy, had no graduate students—"the modern amanuensis"—to help him. He worked as a one-man academy. For eight years he sat on a stool poring over the works of "the best writers" and the few extant dictionaries. In the end, says Cassidy, "Johnson's definitions were models of concision." And sometimes of prejudice, as in "Oats: a grain which in England is generally given to horses, but in Scotland supports the people."

ASSOCIATED PRESS

Frederic Cassidy: "I'm 78 . . . . It's a race between . . . the dictionary and me."

Cassidy refers to two other presiding geniuses: Sir James A.H. Murray, the Scottish editor of the greatest dictionary in any language, "The Oxford English Dictionary" (1928), and Joseph Wright, the pioneering editor of the six-volume "English Dialect Dictionary" (1905).

Cassidy sees the OED as an unsurpassed model: its completeness, its form, its focused definitions. Britain, despite its relatively small land area, is rich with dialects, and Wright's team of lexicographers collected material from every corner of the country. There are also French, German and Italian "linguistic atlases" that seek to map and describe regional speech.

With some exceptions, Americans can understand each other reasonably well. There is not a separate New York English as there is, say, a Roman Italian. But as the American Dialect Society recognized from the time it was founded 96 years ago in Cambridge, Mass., American English is rich with dialect words and locutions. The language, they said, must be studied and appreciated for all its infinite variety.

For decades the ADS compiled word-lists from all over the United States. A dictionary, based on the example of the English Dialect Dictionary, was always the society's

See DICTIONARY, A7, Col. 1

1st Part of Massive Work on American Language Reaches Print

DICTIONARY, From A6

goal. But the dictionary would have to wait for Frederic Cassidy, its presiding Dr. Johnson, its "harmless drudge." Though the project could be completed without him, Cassidy is the soul and personality behind DARE.

Says New York Times language columnist William Safire, "Fifty years from now people will recognize Cassidy as a major force in American culture. He's done something absolutely remarkable."

■

On the sixth floor of Helen White Hall in Madison, the professor emeritus sits surrounded by centuries of English: Shakespeare, Milton, Faulkner and Twain. Cassidy's hair and mustache are pure white. His manner is patient and careful in the academic tradition. He wears the sort of gray-green suit that seems to appear on the back of every humanities professor in the country.

"I was born in Kingston, Jamaica. My father was from Canada and worked as a businessman. My mother was Jamaican. She was a lady and did what ladies did. She made lace, china painting. Servants did the work in the house.

"Although there is obviously a real separation between the Creole speakers and the English speakers, the language was in the air. I published the 'Dictionary of Jamaican English' in 1967.

"I went off to high school in Akron, Ohio, college at Oberlin, where I really began and developed my interests, and then a doctorate at the University of Michigan. I was on the staffs for dictionaries of early modern English, Middle English and a linguistic atlas of the Great Lakes."

Down the hall from his small office is "the big room," actually a compact library containing the stuff of which the new dictionary is made. There are heaps of card-catalogue boxes with the names of all the sources for the dictionary. On the left wall are shelves packed with novels, dictionaries, travel guides and clippings. In the back are two desks, where assistants are almost always poring over texts in search of linguistic nuggets.

And on the right wall is a mountain of bound questionnaires.

In 1964 Cassidy and Audrey Duckert, a former student who now teaches at Amherst College, drew up the questionnaires to be completed by respondents in 1,000 communities in every state and the District of Columbia. Beginning with seemingly innocuous questions on time ("What do you call the time in the early morning before the sun comes into sight?") and weather ("A frost that kills plants is a —?"), the 1,847 questions include 41 categories, some as concrete as foods and farm animals, some as abstract as honesty and emotion.

Between 1965 and 1970, field workers accumulated nearly 2.5 million individual answers to feed into the university's computer system. Occasionally the field workers had adventures of their own. One woman had to fight off the amorous advances of a Louisiana oil-rig worker. A black field worker found himself in a tense situation in Alabama when, according to Cassidy, "some redneck thought our man was up to something more revolutionary than academic."

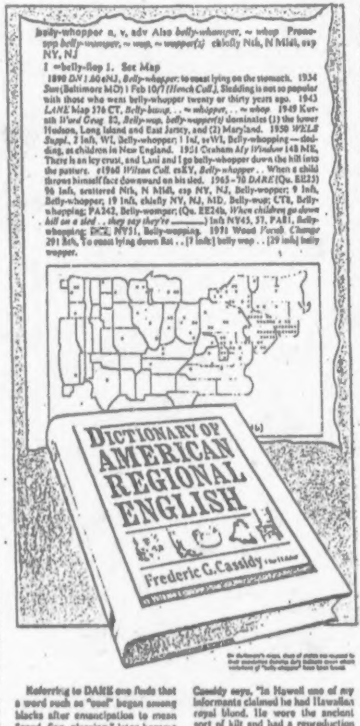
Scores of regions provided scores of linguistic wonders. But some areas proved especially rich.

"Obviously the best areas for regional speech are places like Appalachia, any 'back country' where the language is 'conservative,'" says Cassidy. "I mean 'conservative' in the literal sense. Places where the language is conserved over time and is less subject to rapid change. The ideal respondent was someone who had been in a particular area for a long time, preferably with relatives in the area, too."

Mark Twain, too, recognized "the vigorous new vernacular of the occidental plains and mountains." And that vigor has been conserved by, for example, the Oregonians, who call a car's glove compartment a "jockey box," a term from pioneer days referring to a box kept under the driver's seat on a wagon.

Says Cassidy, "We found black English to be a special phenomenon. For older people in the northern cities—such as Washington, Philadelphia, New York—it's basically a matter of Southern language grafted to Northern ways. For those blacks the language has not changed much.

"The younger people in the ghettos are trying to find their own way and integrity. The same for Puerto Ricans and Cubans. The younger blacks have only a tenuous or romantic attachment to the South or no attachment at all and their speech has been greatly influenced, of course, by the movement of jazz music in the North."



belly-whopper n, v, adv Also *belly-whomper,* ~ *whop* Pronc-spp *belly-wumper,* ~ *wup,* ~ *wupper(s)* chiefly Nth, N Midl, esp NY, NJ

1 =belly-flop 1. See Map

1890 *DN* 1.60 eNJ, *Belly-whopper:* to coast lying on the stomach. 1934 *Sun* (Baltimore MD) 1 Feb 10/7 *(Hench Coll.),* Sledding is not so popular with those who went belly-whopper twenty or thirty years ago. 1943 *LANE* Map 576 CT, *Belly-bump. . . ~ whopper, . . ~ whop.* 1949 Kurath *Word Geog* 82, *Belly-wup, belly-wupper(s)* dominates (1) the lower Hudson, Long Island and East Jersey, and (2) Maryland. 1950 *WELS Suppl.,* 2 Infs, WI, Belly-whopper; 1 Inf, seWI, Belly-whopping—sledding, as children in New England. 1951 Graham *My Window* 148 ME, There is an icy crust, and Lani and I go belly-whopper down the hill into the pasture. c1960 *Wilson Coll.* csKY, *Belly-whopper . .* When a child throws himself face downward on his sled. 1965–70 *DARE* (Qu. EE23) 96 Infs, scattered Nth, N Midl, esp NY, NJ, Belly-wopper; 9 Infs, Belly-whopper; 19 Infs, chiefly NY, NJ, MD, Belly-wup; CT8, Belly-whopping; PA242, Belly-womper; (Qu. EE24b, *When children go down hill on a sled . . they say they're* ———) Infs NY45, 57, PA81, Belly-whopping; [illegible] NY51, Belly-wupping. 1971 Wood *Vocab Change* 291 Sth, To coast lying down flat . . [7 infs] belly wup . . [29 infs] belly wupper.

Referring to DARE one finds that a word such as "cool" began among blacks after emancipation to mean "good, fine, pleasing," later became a term to describe certain modes of jazz in the 1940s and by the 1950s was a widespread term meaning "self-possessed, calm, sophisticated."

"The research was fascinating,"

Cassidy says. "In Hawaii one of my informants claimed he had Hawaiian royal blood. He wore the ancient sort of kilt and had a reproduction of a native Hawaiian village. He told me about all sorts of words that have entered the language. Like 'akamai,' a common word meaning 'clever' or 'skillful.'

"I also did the field work in Washington myself. It's like one city. It's mixed up. A lot of the people there are especially transient. I did spend some time with some tobacco growers just across the D.C. border. I plugged my tape recorder into their one outlet in the barn and got a remarkable tape. They'd been growing tobacco there for 50 years and I heard there the term 'case weather.'"

And so there it is in DARE. "Case weather: a warm spell in the winter during which tobacco leaves soften enough to be handled without breaking."

Cassidy, as one might expect, has become a walking dictionary of such regionalisms. On the way downstairs to the student union for lunch, he stops in at one of the computer rooms and finds an assistant typing definitions to "fandango." Cassidy's pale green eyes brighten and a wide grin cuts across his face.

"You know fandango was a Spanish dance," he says, "but it's also a knife fight, a social gathering and even a sort of toy in a park, an ancestor of the Ferris wheel."

At the union, Frederic Cassidy explains the menu. Hot dog and hamburger, it seems, are not without their regional variations. Ditto for a grilled cheese sandwich.

■

Cassidy did not rely solely on the questionnaires. He and assistants also pursued the Johnsonian method, reading thousands of texts.

Certain novelists were especially helpful and quotations from their works appear in the dictionary: Faulkner and Eudora Welty for Mississippi, Zora Neale Hurston for Georgia, Claude Brown for urban black English, Emerson and Thoreau for New England, Edward Eggleston for Indiana, Wallace Stegner for California.

In Hurston's "Mules and Men," for example, DARE discovered the word "astorperious," a term marrying the wealthy Astor family name to the adjective "imperious" to form a new word for "haughty." As in, "Aw, Gran'pa, don't be so astorperious!"

The shelves of the big room are also crammed with less exalted sources: "The Cowboy Encyclopedia," "Rhymes of Vermont Rural Life," travel diaries from every corner of the country. Elsewhere there are heaps of small-town newspapers.

"'Uncle Remus' was even a terrific source," says Cassidy.

Like the Oxford English Dictionary which sought to include all English words beginning with the 7th century, DARE is a decidedly historical document, a record of American regional English over time and geography. For that reason many of the entries in DARE include small maps of the United States with black dots that indicate where the particular word is used.

One finds that "brownie" is a word for penny, chiefly in South Carolina; that "bubba" is a word for brother, mainly among southern blacks; that a "bug-eye" is a word for a flat-bottomed oyster boat used almost solely in the Chesapeake Bay area; that the Pennsylvanian word for nosy is "nibby," as in "Nib out!"

Further browsing leads one to "boofie" (a Pittsburgh word for hippie), "alter kocker" (a Yiddishism for old fogy), "frost boil" (a Minnesota term for a bump or pit in pavement caused by frost), and "swanga" (a term for swaggering in the Gullah dialect of the Georgia and Carolina sea islands).

Those who look through DARE for some of the more obvious terms of American, four-lettered rudeness will not often be disappointed. The only words left out are ones that are widely known and without regional interest.

"No use putting in something like 'damn,'" says Cassidy. "The rest are all there. If they're regional, we put them in. We don't expurgate anything. You wouldn't have an accurate picture of the language if you left anything out."

Beyond words or phrases considered standard, DARE does not include the jargon of a particular group (truckers, sailors, mobsters) unless it has escaped into more general usage. "Blood," a common term meaning a fellow black, probably began as a prison usage. Now that it's jumped those walls, it has jumped into the pages of DARE.

At $49.95, the first volume, says Cassidy, "is a bargain." A variety of donors helped support the project, including the U.S. Office of Education (forerunner of the Department of Education), the National Endowment for the Humanities, the National Science Foundation, the Rockefeller Foundation and the Andrew W. Mellon Foundation.

As Whitman wrote, "The occasions of the English speech in America are immense, profound. Stretch over ten thousand vast cities, over through thousands of years, millions of miles of meadows, farms, mountains, men."

THE NEW YORK TIMES ARTS/ENTERTAINMENT TUESDAY, OCTOBER 8, 1985 23

Books of The Times

By John Gross

United Press International

Frederic G. Cassidy

DICTIONARY OF AMERICAN REGIONAL ENGLISH: Volume I — Introduction and A-C. Chief editor: Frederic G. Cassidy. 903 pages. Belknap/Harvard. $49.95 until Dec. 31; $60 thereafter.

IT is nearly a hundred years since a group of leading philologists and language enthusiasts, among them such honored names as the Dante scholar Charles H. Grandgent and the ballad collector Francis J. Child, founded the American Dialect Society. One of the society's aims was to produce a comprehensive American dialect dictionary, along the lines of the dialect dictionary then being edited in England by Joseph Wright, but though a great deal of material was collected over the years that followed, and the position of editor of the dictionary was formally created in 1929, the project remained stalled for lack of funds and of adequate planning.

A better day dawned, however, in 1962, with the appointment as editor of Frederic G. Cassidy, a professor of English at the University of Wisconsin who had won his lexicographical spurs as author of a "Dictionary of Jamaican English." One of the things Mr. Cassidy insisted on before accepting the post was full-scale financing; fortunately the United States Office of Education agreed to provide support for a period of five years, and though it turned out that considerably more time would be needed, grants were subsequently made available from other sources.

The first of what will eventually be five volumes has now appeared, covering the ground from A to czazski (a term for a Czechoslovak or Bohemian, also given as chesky), and prefaced by more than 150 pages explaining and illuminating the principles on which the dictionary has been compiled. Entries are accompanied by a formidable range of supporting quotations and, in many cases, by ingenious maps showing the geographical distribution of the term in question; sensible editorial methods insure that all the requisite scholarly details are set down without getting in the way of the general reader.

It already seems clear that when it is completed the dictionary will rank as one of the glories of contemporary American scholarship. And though Mr. Cassidy could not have accomplished what he has without the assistance of many other people (notably the fieldworkers who went out, armed with questionnaires, to gather data from carefully selected communities across the nation), both as organizer and energizing spirit he remains the undoubted hero of the enterprise.

•

While the dictionary is primarily designed as a work of reference, it is endlessly rewarding to dip into, and if you look up a particular word or phrase you are in constant danger of being seduced by something else. To take a random example, the entry for *buck*, meaning money, makes a fascinating little essay in itself, but one glance ahead and you find yourself absorbed in the etymology of *passing the buck* (from buckhorn knife, "formerly used as a token in poker"), or the mutations by which the Spanish *vaquero*, cowboy, evolved into *buckaroo*. And the entries are not just picturesque, either; many of them touch on living social issues.

Take the case of the New York schoolteachers who, as Mayor Koch has recently disclosed, are guilty of saying "axed" instead of "asked." If they had had a copy of the dictionary on hand, they might have pleaded in mitigation that they were using a regional term rather than a merely illiterate one, a term once especially common in New England — the dictionary cites Noah Webster, writing in 1789 — though now chiefly to be found in the South and the "Midland" of America. (The Midland is a linguistic area that takes in regions as far apart as Nebraska, southern New Jersey and northern Alabama.) In fact this particular reversal of sounds or "metathesis," as the philologists say, is a very ancient one, one of the most ancient in the language: in Old English the verb "to ask" existed in the form "acsian" as well as "ascian."

Yet I doubt whether anyone would seriously choose to classify "ax" for "ask" as a specifically New York usage. As employed by the errant teachers it surely belongs more appropriately under the vaguer heading of "folk usage," which is one of the two general criteria adopted by Mr. Cassidy and his colleagues for judging whether a word or phrase should be included in the dictionary — the other being the more precise one of a usage ascertainably limited to a part or parts of the country or to a particular social group.

A term is eligible, Mr. Cassidy tells us, if it is distinctively a folk usage — learned in the home and the community rather than from schooling and books — regardless of region, provided that it is in "less than total" use. But at this point the whole concept of "regional" becomes a decidedly hazy one. How exactly, for that matter, do you distinguish contemporary folk usage from slang and other forms of "unconventional" speech?

•

Mr. Cassidy is of course well aware of these problems — problems made all the more acute, as he says, by the disruption of traditional communities as a result of "easy communication, mechanized farming, public education, the growth of cities, widespread migration, and most recently the tremendous success of radio and television." A dictionary of American regional English in which the term "regional" was strictly interpreted would probably be to a large extent a dictionary of rural English, and often old-fashioned rural English at that. By refusing — rightly and realistically refusing — to limit themselves in this way, Mr. Cassidy and his team inevitably open up the possibility of countless demarcation disputes.

No matter. Their inconsistencies are forced on them by social and historical circumstances, and don't detract from either the dictionary's usefulness or from the many pleasures it yields. It is a work to consult, and a work to savor — a work to last a lifetime.

Mr. Yates. Thank you.

Dr. Ayers.

Dr. Ayers. Thank you very much, Mr. Chairman. I too have a document for you that I would like to have entered into the record.

Mr. Yates. It may be introduced into the record.

Dr. Ayers. I am with Chicago State University. It is a pleasure to be here. I happen to manage a large, multi-purpose university that is in an urban area. We serve quite a number of minority students at that institution, and I am very pleased to say that over the years we have had a wonderful experience with NEH. They have been instrumental in terms of providing institution support in a number of areas, particularly in the area of the terms of a challenge grant. I had to be amused when Ms. Taylor mentioned Brown, because I have three children there, and they haven't called for a week, and I am wondering what has been going on.

Mr. Yates. They are in the library.

Dr. Ayers. I hope they are in the library.

Mr. Yates. But they are sitting there. It is what they call a sit-down strike.

Dr. Ayers. But we have been pleased with the support. And I guess I would like to make three brief points relative to NEH that I think are significant. One is that NEH is an ancillary resource, and we would like to see continued support of it because for the public sector it is sorely needed. When we look at what is going on in terms of education and the—particularly in public institutions, we are being faced with some serious problems.

One is the declining interest and support of the humanities. In the public sector, most of our decisions are driven by state budgets, which means if you don't have an "X" number of bodies in a particular program, it will have to be phased out. We can see the program has feasibility, but the states say you shouldn't have it. I think, again, NEH can be a resource, and has been to many public institutions, by providing funds to continue and expand humanity programs. I hope that continues because it is value needed.

You heard this afternoon, on several occasions, about the expansion for the humanities. In our society, I think it is going to expand, and I think as we look toward a pluralistic society and start looking at the various cultures we are dealing with from various countries, youngsters are going to need that.

Unfortunately, in many of our schools, we don't have that. Many institutions, particularly in the private sector again, when you look at high schools, many of them are not requiring language. We are hoping that that will come about. We are seeing a reinstitution of that. And, again, it is something that is needed that will help in terms of providing students a well-rounded background.

I want to comment on this from the standpoint of minority involvement in the humanities. I think that we have to continue to look at our total society, and when you look at minorities in America and many of our institutions, many of our institutions don't have broad humanities programs as a foundation base. I would like to see NEH continue to support those institutions, but also support those institutions that have large numbers of minorities, to make sure they do have the variety, the diversity of programs that support them, to give them that foundation that is needed.

It is one thing to preach a minority for a career. I hear that all the time, anyone can design career programs. But also I think there is more needed for minorities today than just a career. I understand by experience this past year, which was again a revelation and also a recognition that the struggle still exists, and that was I happened to leave the country to go to a foreign country for two weeks for business in establishment of an international program only to return on a Monday and find out the Board of Higher Education has decided to eliminate three of my humanities programs: history, anthropology and sociology.

When I appealed to the reason and rationale for that, I was told "We don't need it because we have a large number of minorities, and they don't need these programs. That is a sad state of affairs in a state——

Mr. YATES. This is Illinois?

Dr. AYERS. This is in the State of Illinois.

Mr. YATES. Governor Thompson knows about it.

Dr. AYERS. He must have known, he had some inkling of this taking place. But it was resolved very quickly, in about 24 hours, and we still have the programs. They are going strong. Again, the issue that emerged was that again of funding, that the state was saying that it could not justify funding such programs which had low enrollments, low number of majors. You know, as well as I do, in the humanities, one has a significant number of majors in this day and age, but I think eventually that is going to increase significantly in our institutions. And we are going through a stage of development where there isn't the kind of interest there should be.

Mr. YATES. Are you hoping to develop, like Georgia and Georgia Tech, in order to get the crowds that you need to build up your programs?

Dr. AYERS. Oh, yes. We are doing that. We have been doing that. One other comment I wanted to make——

Mr. YATES. Do you have a good team?

Dr. AYERS. Yes. We were number two in the Nation behind Notre Dame, but was shunned because of politics. Next year, we will be there. We have two seven-footers. Next year, if they keep us out, I don't know what they will use for an excuse.

Mr. YATES. That is kind of a tribute to the humanities, isn't it?

Dr. AYERS. Yes, it is. I want to make sure all the players——

Mr. YATES. Okay.

Dr. AYERS. We have had a couple programs of value. NEH did provide a large grant in which to help us in the development of these programs and as part of that grant, they provide an opportunity for two of our professors to return to Washington to work at the National Endowment, and also to take back to the campus this knowledge and to utilize that in terms of many of our programs. We are able to use a good deal of information relative to redesigning general education requirements, looking at some area approaches to education, and all of this was very helpful.

Likewise, they provided us a grant also to look at our library, to expand the library there at the university and to develop in a very expanded fashion. That took place. We are able to raise quite a bit of money from the private sector to match the grant from the National Endowment, and that has been successful.

So there are examples, and you probably heard many, many of those throughout the day, where NEH has been responsive to some of the needs. I think the public sector has too, I guess this is one of the reasons that I would like to strongly testify to the need for continuing to support the National Endowment, because it has helped public institutions, and believe me, I think it will help many of our young adults in society.

Mr. YATES. Thank you. I appreciate your testimony and the testimony of all of you. Thank you very much for coming in. You have been very helpful.

[The statement of George E. Ayers follows:]

TESTIMONY

of

GEORGE E. AYERS
PRESIDENT
CHICAGO STATE UNIVERSITY

regarding

EXCELLENCE IN THE HUMANITIES

before the

INTERIOR SUB-COMMITTEE
HOUSE APPROPRIATIONS COMMITTEE
REGARDING FY'1987 APPROPRIATIONS FOR THE NATIONAL ENDOWMENT FOR THE HUMANITIES

March 19, 1986

MR. CHAIRMAN, HONORABLE CONGRESSMEN, THANK YOU FOR INVITING ME TO APPEAR BEFORE THIS SUB-COMMITTEE AND FOR GIVING ME THE OPPORTUNITY TO OFFER MY VIEWS ON THE FY'1987 APPROPRIATIONS FOR THE NATIONAL ENDOWMENT FOR THE HUMANITIES.

MR. CHAIRMAN, I APPEAR BEFORE YOUR COMMITTEE BECAUSE OF A STRONG BELIEF THAT MANY OF THE EXCELLENT PROGRAMS WHICH HAVE BEEN FUNDED BY THE NATIONAL ENDOWMENT FOR THE HUMANITIES ARE SUCCESS STORIES YET TO BE TOLD. I WOULD LIKE TO FOCUS MY REMARKS IN THREE AREAS: THE CURRENT STATE OF HUMANITIES ON COLLEGE AND UNIVERSITY CAMPUSES; MINORITY INVOLVEMENT IN THE HUMANITIES AND; SPECIAL PROJECTS THAT THE NATIONAL ENDOWMENT FOR THE HUMANITIES HAVE SUPPORTED.

THE SUPPORT THAT THE NATIONAL ENDOWMENT FOR THE HUMANITIES HAS PROVIDED HIGHER EDUCATION INSTITUTIONS IS ESSENTIAL TO THE EDUCATION OF A DEMOGRAPHIC SOCIETY. HUMANITIES PROGRAMS IN COLLEGES AND UNIVERSITIES ACROSS THE COUNTRY HAVE BEEN DECLINING IN RECENT YEARS DUE TO TWO RELATED BUT SEPARATE PROBLEMS. FIRST, COLLEGE STUDENTS HAVE IN RECENT YEARS TAKEN A MORE PRAGMATIC APPROACH TO THE EDUCATIONAL PROCESS AND HAVE CHOSEN DEGREE PROGRAMS THAT HAVE TENDED TO BE MORE CAREER ORIENTED ENSURING THEM IMMEDIATE EMPLOYMENT UPON GRADUATION. AS A RESULT, DROPS IN ENROLLMENT IN HUMANITIES PROGRAMS HAVE CAUSED STATE LEGISLATORS WHOSE FUNDING FORMULAS ARE ENROLLMENT DRIVEN TO RETREAT FROM SUPPORTING THESE TYPES OF PROGRAMS ON OUR CAMPUSES. THE NET AFFECT HAS BEEN A DIMINISHING PARTICIPATION IN THE HUMANITIES. ACCORDING TO DR. ALEXANDER ASTIN, PROFESSOR AT THE UNIVERSITY CALIFORNIA, "BUSINESS IS IN; HUMANITIES ARE OUT." TO BE FINANCIALLY WELL OFF IS "IN" WHILE DEVELOPING A MEANINGFUL PHILOSOPHY OF LIFE IS "OUT." THE CYCLE THEN, IS ONE IN WHICH AS STUDENT ENROLLMENTS DIMINISH STATE SUPPORT FOR HUMANITIES PROGRAMS DIMINISHES AS WELL. FOR THIS REASON, COLLEGES AND UNIVERSITIES HAVE HAD TO TURN TO THE NATIONAL ENDOWMENT FOR THE HUMANITIES FOR SUPPORT TO PROVIDE THOSE PROGRAMS WHICH WILL PERHAPS IN THE LONG RUN BE MOST MEANINGFUL IN PREPARING TODAY'S STUDENTS FOR EQUAL AND INFORMED PARTICIPATION IN AMERICAN SOCIETY.

THE FINDINGS OF THE MOST RECENT STUDY ON THE HUMANITIES IN HIGHER EDUCATION (TO RECLAIM A LEGACY) HAVE BEEN ALARMING TO EDUCATORS ACROSS THE COUNTRY. THE STUDY POINTS OUT THAT "ALTHOUGH MORE THAT 50% OF AMERICAN HIGH SCHOOL GRADUATES CONTINUE THEIR EDUCATION AT AMERICAN COLLEGES AND UNIVERSITIES, FEW OF THEM CAN BE SAID TO RECEIVE THERE AN ADEQUATE EDUCATION IN THE CULTURE OF CIVILIZATION OF WHICH THEY ARE MEMBERS." ACCORDING TO THIS STUDY THE FAULT LIES PRINCIPALLY WITH THOSE OF US WHOSE BUSINESS IS TO EDUCATE THESE STUDENT AND THAT WE HAVE BROUGHT ABOUT THIS CONDITION BY GIVING UP THE GREAT TASK OF TRANSMITTING CULTURE TO ITS RIGHTFUL HEIRS. AS PRESIDENT OF A COMPREHENSIVE URBAN UNIVERSITY IN THE MIDWEST, I FEEL A SENSE OF RESPONSIBILITY FOR TRANSMITTING SUCH A CULTURE. IT IS NOT DIFFICULT TO STAND BEFORE OUR FACULTY AND ARTICULATE THE RELEVANT EDUCATIONAL ASPECTS OF THE HUMANITIES. OUR FACULTIES IN THEIR WISDOM MORE THAN ACCEPT THE HUMANITIES AS A WAY IN WHICH TODAY'S STUDENTS CAN LEARN "HOW MEN AND WOMEN OF OUR OWN AND OTHER CIVILIZATIONS HAVE GRAPPLED WITH LIFE'S ENDURING, FUNDAMENTAL QUESTIONS SUCH AS: WHAT IS JUSTICE? WHAT SHOULD BE LOVED? WHAT DESERVES TO BE DEFENDED? WHAT IS COURAGE? WHAT IS NOBLE? WHY DO CIVILIZATIONS FLOURISH? AND WHY DO THEY DECLINE?" WE ALSO KNOW THAT "THE HUMANITIES ARE NOT AN EDUCATIONAL LUXURY, AND THEY ARE NOT JUST FOR HUMANITIES MAJORS. THEY ARE A BODY OF KNOWLEDGE AND A MEANS OF INQUIRY THAT CONVEY SERIOUS TRUTHS, DEFENSIBLE JUDGMENTS, AND SIGNIFICANT IDEAS." THE COLLEGIAL ENVIRONMENT OF AMERICAN COLLEGES AND UNIVERSITIES CAN EASILY REACH CONSENSUS THAT HUMANITIES SHOULD HAVE A PLACE IN THE EDUCATION OF ALL STUDENTS. YET, WHAT MAKES PERFECT ACADEMIC

SENSE IS OFTEN ECONOMICALLY DIFFICULT TO JUSTIFY TO STATE LEGISLATURES. AND THE DECLINING NUMBER OF STUDENTS STUDYING THE HUMANITIES MAKES IT ALL THE MORE DIFFICULT TO ARGUE, IN SUPPORT OF THESE VERY IMPORTANT PROGRAMS. AS AN EDUCATOR I FIND THE STATISTICS OF DECLINE IN THE STUDY OF THE HUMANITIES ALARMING. WITH 75% OF ALL AMERICAN COLLEGES AND UNIVERSITIES NOT REQUIRING THE STUDY OF EUROPEAN HISTORY AND 72% OF THE COLLEGES AND UNIVERSITIES NOT REQUIRING AMERICAN LITERATURE OR HISTORY IN ORDER FOR A STUDENT TO RECEIVE A BACCALAUREATE DEGREE, ONE MUST ASK THE QUESTION OF WHETHER OR NOT OUR GRADUATES WILL BE DISCERNIBLE ABOUT THEIR JUDGMENTS; WISE IN THEIR DECISION; AND ACT IN ACCORDANCE WITH STANDARDS. IT IS EQUALLY ALARMING TO NOTE THAT AT A TIME IN WHICH AMERICAN SOCIETY IS BECOMING INCREASINGLY MORE DEPENDENT ON UNDERSTANDING THE CULTURES AND SOCIETIES IN OTHER COUNTRIES, THAT BOTH ENTRANCE AND GRADUATION REQUIREMENTS IN MODERN LANGUAGES HAVE WEAKENED SIGNIFICANTLY SINCE 1966. IN 1983, ONLY 14% OF ALL COLLEGES AND UNIVERSITIES HAVE REQUIRED A MODERN LANGUAGE FOR GRADUATION. COLLEGES AND UNIVERSITIES CAN NO LONGER AFFORD TO REACT IN ACCORDANCE WITH STUDENT DEMAND FOR COURSES ONLY, BUT RATHER, MUST PROVIDE LEADERSHIP AND GUIDANCE IN AFFORDING TODAY'S COLLEGE STUDENTS THE SKILLS AND UNDERSTANDINGS TO BE READY WHEN TOMORROW'S CHALLENGES PRESENT THEMSELVES. IT IS FOR THIS REASON THAT SUPPORT FOR THE HUMANITIES IN HIGHER EDUCATION IS CRITICAL.

I WOULD LIKE TO TURN FOR A MOMENT TO AN ISSUE THAT MUST NOT BE LEFT UNMENTIONED. THAT IS, THE ROLE OF THE HUMANITIES IN THE EDUCATION OF MINORITIES. A BREADTH OF UNDERSTANDING OF DIVERSE CULTURES AND THE VALUES OF ANY GIVEN SOCIETY FROM A HISTORICAL PERSPECTIVE ARE AS IMPORTANT IN THE EDUCATION OF MINORITY STUDENTS AS THEY ARE IN THE EDUCATION OF NON-MINORITIES. THE ACHIEVEMENT OF FULL PARTICIPATION OF MEMBERS IN AMERICAN SOCIETY AND ECONOMIC AND SOCIAL MOBILITY OF ALL MEMBERS ARE DEPENDENT UPON A BROADENING OF EDUCATIONAL EXPERIENCES FOR MINORITIES. THE FACT IS, THAT THESE KINDS OF OPPORTUNITIES ARE MORE READILY ACCESSIBLE IN PRIVATE EDUCATION AND PREDOMINATELY WHITE INSTITUTIONS SO THAT ACCESS HAS BEEN LIMITED. RECENT STATE INITIATIVES IN THE PROVISION OF EDUCATIONAL OPPORTUNITIES FOR MINORITIES HAS BEEN LARGELY IN THE AREAS OF BUSINESS EDUCATION, CAREER ORIENTED PROGRAMS AND TECHNICAL TRAINING. FOR WHATEVER REASONS, IN ILLINOIS BROADENING OF THE EDUCATIONAL EXPERIENCES FOR MINORITY STUDENTS HAS NOT BEEN A PRIORITY. FOR THIS REASON, IT IS ESSENTIAL THAT ORGANIZATIONS SUCH AS THE NATIONAL ENDOWMENT FOR THE HUMANITIES SUPPORT EXPANDING THESE KINDS OF EDUCATIONAL OPPORTUNITIES TO INCLUDE MINORITIES. IT IS NO LONGER ACCEPTABLE FOR PREDOMINATELY MINORITY INSTITUTIONS OF HIGHER EDUCATION TO ONLY PROVIDE PROGRAMS IN ALLIED HEALTH, NURSING, SOCIAL WORK, DATA PROCESSING AND THE LIKE. INSTITUTIONS SERVING LARGE POPULATIONS OF MINORITY STUDENTS MUST ALSO BE EQUIPPED TO OFFER PROGRAMS SUCH AS MEDICINE, LAW, DENTISTRY, PHILOSOPHY, HISTORY, ART, AND ENGLISH. THIS IS, PERHAPS ONE MEANING OF EXCELLENCE IN THE HUMANITIES. THAT IS, PROVIDING BOTH ACCESS AND QUALITY IN HUMANITIES PROGRAMS.

COLLEGES AND UNIVERSITIES ACROSS THE COUNTRY IN RESPONSE TO THE NUMEROUS REPORTS ON A DECLINE IN EDUCATIONAL QUALITY ARE RESPONDING BY TRYING TO IMPROVE THE QUALITY OF THEIR CURRICULUM AND INTEGRITY OF BACCALAUREATE DEGREE PROGRAMS. A STRONG "QUALITY" PRESENCE OF HUMANITIES OFFERINGS IN THE COLLEGE CURRICULUM IS ESSENTIAL.

I WOULD LIKE TO SHARE WITH YOU AT THIS TIME SOME OF THE WAYS IN WHICH CHICAGO STATE UNIVERSITY HAS BEEN ABLE TO MAINTAIN A HUMANITIES PRESENCE THROUGH THE ASSISTANCE OF THE NATIONAL ENDOWMENT OF THE HUMANITIES. MR. VICTOR SORELL, PROFESSOR OF ART AT CHICAGO STATE RECEIVED $101,000 THROUGH THE NATIONAL ENDOWMENT FOR THE HUMANITIES INTER-GOVERNMENTAL ACT IN 1982. THIS PROGRAM PROVIDED MR. SORELL WITH THE OPPORTUNITY TO SPEND SOME TIME AT THE NATIONAL ENDOWMENT AND TO LEARN ABOUT THE WAY IN WHICH THE HUMANITIES ARE SUPPORTED THROUGH THE AGENCY. HE HAS SUBSEQUENTLY BEEN ABLE TO BRING BACK THAT KNOWLEDGE AND EXPERIENCE AND SHARE IT WITH HIS COLLEAGUES, NOT ONLY IN THE DEPARTMENT OF ART, BUT, IN MANY DEPARTMENTS THROUGHOUT THE CAMPUS. AT A TIME IN WHICH AN INTEGRATIVE APPROACH TO PROVIDING GENERAL EDUCATION TO COLLEGE STUDENTS IS IMPORTANT, MR. SORELL'S EXPERIENCES HAVE BENEFITED A NUMBER OF DISCIPLINES STRENGTHENING THE OVERALL INTERDISCIPLINARY NATURE OF SOME OF THE PROGRAMS OFFERED AT THE UNIVERSITY. CHICAGO STATE UNIVERSITY ALSO WAS A RECIPIENT OF THE HUMANITIES CHALLENGE GRANT PROGRAM IN 1978. THE $144,000 AWARD WAS DIRECTED PRINCIPALLY TOWARDS THE ENHANCEMENT OF THE HUMANITIES COLLECTIONS IN THE PAUL AND EMILY DOUGLAS LIBRARY AT THE UNIVERSITY. THE OBJECTIVES WERE (1) THE ENHANCEMENT THROUGH MATERIAL PURCHASES, PROCESSING AND CATALOGING FOR CIRCULATION AND, (2) THE PROVISION OF REQUISITE PERSONNEL SUPPORT FOR THE CONDUCTING OF A MAJOR GIFTS CAMPAIGN IN CONJUNCTION WITH THE CHALLENGE GRANT. AS A RESULT OF THIS GENEROUS AWARD, THE UNIVERSITY HAS BEEN ABLE TO ENHANCE PARTICULARLY ITS ART HISTORY COLLECTION. DR. BABETTE INGLEHART, PROFESSOR IN THE DEPARTMENT OF ENGLISH AT CHICAGO STATE UNIVERSITY ALSO HAS BEEN A RECIPIENT OF THE SUMMER STIPEND PROGRAM IN 1980. THE EXPERIENCES THAT BOTH MR. SORELL AND DR. INGLEHART HAVE HAD WITH THE NATIONAL ENDOWMENT FOR THE HUMANITIES HAVE FOSTERED MORE COLLABORATIVE AND INTERDISCIPLINARY ACTIVITIES AT THE UNIVERSITY. THESE ENHANCE THE OVERALL GENERAL EDUCATION CURRICULUM AND COMMUNITY BASED PROJECTS THAT FACULTY CONTINUE TO DEVELOP.

THESE ARE JUST A FEW OF THE KINDS OF PROGRAMS THAT THE NEH HAS SUPPORTED AT CHICAGO STATE UNIVERSITY, AND WITHOUT SUCH SUPPORT, THE UNIVERSITY WOULD HAVE BEEN UNABLE TO FUND. IN ADDITION, THE UNIVERSITY HAS MANY STRONG PROGRAMS THAT THE NEH HAS NOT BEEN DIRECTLY INVOLVED IN BUT, WOULD CERTAINLY BE INTERESTED IN SUPPORTING. IN ILLINOIS, THERE IS A STRONG EMPHASIS TOWARD BUILDING RELATIONSHIPS WITH UNIVERSITIES AND THE PUBLIC SCHOOLS. CHICAGO STATE UNIVERSITY HAS BEEN RESPONDING TO THE NEEDS OF THE CHICAGO PUBLIC SCHOOLS AND HAS BEEN WORKING CLOSELY WITH THE CHICAGO BOARD OF EDUCATION IN DEVELOPING COOPERATIVE RELATIONSHIP. WHILE THE UNIVERSITY HAS NOT REQUESTED SUPPORT FROM THE NATIONAL ENDOWMENT FOR THE HUMANITIES, IT IS CERTAINLY CONCEIVABLE THAT THE KINDS OF MODEL PROGRAMS THAT ARE BEING DEVELOPED AT CHICAGO STATE WOULD BE OF GREAT INTEREST TO THE ENDOWMENT.

CHICAGO STATE UNIVERSITY IS AN INSTITUTION WHOSE ENROLLMENT GROWTH HAS OUT DISTANCED ITS CAPABILITY TO MAINTAIN ADEQUATE EQUIPMENT AND LIBRARY HOLDINGS. THE UNIVERSITY IS EXPANDING ITS MODERN LANGUAGES PROGRAMS AND IS IN NEED OF EXPANDING ITS LIBRARY HOLDINGS IN THIS AREA. THE STRONG SCIENCE PROGRAMS AT THE INSTITUTION HAVE THE FUNDAMENTAL CHARACTERISTICS TO DEVELOP EXCELLENT PROGRAMS IN RELATIONSHIP TO SCIENCE TECHNOLOGY AND HUMAN VALUES. AND FINALLY, THE DEMOGRAPHIC CHARACTERISTICS OF THE SERVICE REGION OF THE UNIVERSITY IS SUCH THAT IT IS IN AN EXCELLENT POSITION TO DEVELOP INTERPRETIVE EXHIBITIONS IN AFRO-AMERICAN AND HISPANIC CULTURES UNDER THE GENERAL PROGRAMS DIVISION OF THE ENDOWMENT.

LET ME CONCLUDE, MR. CHAIRMAN AND HONORABLE MEMBERS OF THIS SUB-COMMITTEE BY SAYING FIRST THAT TO HAVE THE OPPORTUNITY TO SHARE SOME OF MY PERCEPTIONS OF THE

STATE OF THE HUMANITIES IN OUR COLLEGES AND UNIVERSITIES HAS BEEN AN HONOR. I CANNOT UNDERSCORE THE IMPORTANCE OF A STRONG HUMANITIES PRESENCE ENOUGH AND THE FACT THAT THERE CURRENTLY EXISTS A VOID IN STATE FUNDING FOR SUCH PROGRAMS. WITHOUT THE SUPPORT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES, I FEAR THAT THE COLLEGE CURRICULUM WOULD DEGENERATE TO A STATE OF DISJOINTED TECHNICAL PROGRAMS UNDERMINING THE TOTAL LIBERAL EDUCATION OF TODAY'S COLLEGE STUDENTS. WE ARE WITNESSING AN ERA OF OVER-SPECIALIZATION AND LACK OF INTEGRATION OF KNOWLEDGE. IT IS THROUGH THE PRESENCE OF THE HUMANITIES THAT MEANING IS GIVEN TO THE MORE TECHNICAL PROFESSIONAL EDUCATION PROGRAMS THAT ARE CURRENTLY BEING OFFERED AT OUR COLLEGES AND UNIVERSITIES.

I WOULD LIKE TO URGE THIS SUB-COMMITTEE TO CONSIDER THE VALUE OF A HIGHER EDUCATION THAT WOULD TOTALLY DISREGARD THE HUMAN CONDITION AND FAIL TO PLACE MANKIND AT THE CENTER OF ALL SOCIAL ACTIVITY. I URGE YOU TO SUPPORT THE NATIONAL ENDOWMENT FOR THE HUMANITIES WITH FUNDING THAT IS COMMENSURATE WITH THE 1986 APPROPRIATION. UNTIL WE TAKE THE TOTAL EDUCATION, SOCIALIZATION, AND CULTURALIZATION OF THE MEMBERS OF OUR SOCIETY SERIOUSLY, WE WILL BE UNABLE TO RESPOND TO THE MORE CRITICAL PROBLEMS FACING US AS A NATION.

AGAIN, THANK YOU FOR INVITING ME TO APPEAR BEFORE YOU.

Mr. YATES. For those persons unable to appear before the subcommittee today, we will place their written statements in the record.

THE ASSOCIATED NATURAL SCIENCE INSTITUTIONS
499 SOUTH CAPITOL STREET, S.W.—110
WASHINGTON, D.C. 20003
(202) 488-4822

THE ACADEMY OF NATURAL SCIENCES OF PHILADELPHIA
THE AMERICAN MUSEUM OF NATURAL HISTORY
THE CALIFORNIA ACADEMY OF SCIENCES
THE FIELD MUSEUM OF NATURAL HISTORY
THE MISSOURI BOTANICAL GARDEN
THE MUSEUM OF NATURAL HISTORY OF LOS ANGELES COUNTY
THE NEW YORK BOTANICAL GARDEN

March 25, 1986

The Honorable Sidney R. Yates
Chairman
Interior Appropriations Subcommittee
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Yates:

Members of The Associated Natural Science Institutions thank you for your continuing support of programs in the National Endowments for the Arts and Humanities and the Institute of Museum Services that are vital to our operations and necessary to fulfill our goals in the areas of research, professional training and public service and education.

TANSI is composed of seven institutions -- five museums and two botanical gardens. We affiliated a couple of years ago to share information regarding sustaining support for our operations and collections and continued funding of our research, training, education and service projects. United, we are better able to assess the impact of national science policy on the natural sciences and to bring our message to Congress and the federal agencies. In this regard, we would like to share with you our concerns regarding the Administration's budget proposals concerning IMS, NEH and NEA.

As you know, the Institute of Museum Services provides general operating support and conservation grants to museums. All TANSI members are eligible for the maximum $75,000 operating support grant. Although this is not a large sum, considering our size and range of activities, it is an essential grant to help defray the costs of security and climate control necessary to safeguard our collections and the cost of utilities and building maintenance. The IMS is usually the only source of such support because the private sector prefers to fund more visible aspects of an institution's programs, such as special exhibits for the public. In responding to the basic museum needs, IMS support helps to free TANSI members to concentrate on enhancing the quality of our programs.

Conservation is too often thought of in terms of art museums, but the conservation needs of natural science institutions are as great and substantially different. Their collections of living specimens and ethnographic, archaeological, botanical and zoological specimens are more than exhibit pieces; they are a resource for basic and applied research, and they must be conserved in a way that makes them accessible for research. The importance of conservation grants from IMS cannot be overestimated. The vast size of our collections and new donations from private collectors and from universities, which are increasingly divesting themselves of important collections, have increased the complexity of identifying, authenticating, cataloging and caring for our collections in order to make them available for current and future research and display. IMS conservation grants can also be used to conduct research on better and more economical methods for preserving specimens and for training conservators.

The Administration's proposal to eliminate the Institute of Museum Services would remove an important source of basic support to TANSI members. Our collections are of such size and importance, that if just one TANSI institution folded, no other institution -- not even the Smithsonian by its own admission -- could absorb and care for our properties. Although our costs are rising, we recognize the importance of reducing the federal budget deficit so that all Americans may benefit in the future. Thus, we urge that the IMS again be funded at the FY 1986 appropriations level of $21.3 million.

The programs of the National Endowments for the Arts and Humanities are also of vital interest and a major funding source to natural science institutions. The National Endowment for the Humanities provides support through such programs as the Office of Preservation, Challenge Grants program and the Museums and Historical Organizations Program in the Division of General Programs.

Preservation grants make it possible for our libraries to preserve documents of inestimable historical significance and to make humanities-related collections accessible to scholars and the general public. We are glad to see that the Administration is also recognizing the value of the preservation program by stabilizing funding.

On the other hand, the proposal to reduce Humanities Projects in Museums and Historical Organizations by approximately $3 million in FY 1987 to provide only $5.8 million would have a substantial impact on museums. The public does not just set aside a rainy weekend to visit museums. Every day of the week, millions of visitors actively seek knowledge and recreation at our institutions. The Museums and Historical Organizations program supports interpretive and educational activities aimed at providing the general public with a high level of accessibility to the study and enjoyment of the humanities. Therefore, we urge that funding be restored for this program.

Challenge Grants, which require a three to one private/federal match, are a major means of generating private support for our institutions. Often, a potential benefactor feels it has no means of evaluating the worth of a proposed project, but once its value is recognized by the federal government; one or more benefactors are likely to feel more confident in providing funds. Thus, the Challenge Grant program is an important means of generating private support that would otherwise not be forthcoming. For example, at the Field Museum of Natural History in Chicago, a Challenge Grant awarded several years ago nearly doubled operating support from the foundation and corporate community and annual renewed support approaches 95 percent.

Finally, we would like to express our hope that Congress will continue to recognize the value of National Endowment for the Arts programs. Few members of the public are aware of the size and value of the art collections held by natural science institutions. Although we hold large collections of artifacts from a broad range of civilizations, we also have large collections of oil painting, sketches, sculpture, tapestries, glass and pottery and other art pieces. These may be incorporated into exhibits of other objects or exhibited alone. For example, currently, there is an exhibit of original bird paintings and sculptures by famous wildlife artists at the Missouri Botanical Garden.

In conclusion, we again commend you, Mr. Chairman, and those members of your committee who not only provide personal support of the IMS, NEH and NEA, but also show leadership in enlisting the support of other Members of Congress.

Sincerely,

Thomas D. Nicholson
Director
The American Museum of Natural History
Chairman
The Associated Natural Science Institutions

Testimony of Douglas J. Bennet
President
National Public Radio

Submitted to the U.S. House of Representatives
Interior Subcommittee
Committee on Appropriations

April 2, 1986

On behalf of National Public Radio, I am pleased to submit testimony in support of funding for the National Endowments for the Arts and Humanities for fiscal year 1987.

Over nine million listeners tune in weekly to the 325 NPR member stations nationwide. Arts and performance programming -- classical music, jazz, radio drama, folk music, and music education -- predominates in the schedules of those stations. NPR distributed 1,200 hours of performance programming in fiscal year 1985, more than ever before in the history of the network. Last year our member stations increased their carriage of performance programs by 30%.

Superior content and audio quality are the hallmark of NPR's arts and performance programming. Juilliard School of Music president Joseph Polisi has noted: "NPR Arts and Performance programs . . . foster a public that is as responsive as it is well-informed, by broadcasting classical music, jazz, folk music and drama programs of the highest quality throughout the United States."

NPR Using Challenge Grant as Arts Funding Centerpiece

NPR is the current recipient of a three-year $250,000 NEA challenge grant. The terms of the award, which began in October, 1985, stipulate that NPR must match the NEA grant with $750,000 over a three-year period. This $1 million will become the centerpiece for an even larger arts funding campaign at NPR, to be announced formally later this year. This effort for the arts is unlike any other because it is truly national: NPR reaches millions with a simple turn of the dial, and it draws artistic energy and resources from across the United States.

NPR can reasonably hope to leverage $250,000 from the Arts Endowment into a fund many times larger because enhanced credibility with private and corporate donors comes with the grant. "Supported by a challenge grant from the National Endowment for the Arts" is a magical phrase which opens fundraising doors that would otherwise remain shut.

This example is typical of the role of federal money overall in the National Public Radio system. We estimate that every federal dollar appropriated to public radio results in $6-$7 raised in the private sector.

NPR Plans for Its Proposed $1 Million Arts and Performance Grant

We are also grateful to this Committee for making available an additional $3 million for the NEA media arts program, of which $1 million has been set aside for arts programming on NPR. We have submitted an application to the Endowment which spells out how we would use these funds. While $1 million may pay for only one hour of "Miami Vice" in commercial broadcasting, $1 million goes a lot further on public radio.

If approved by NEA's review procedures, our plans for the $1 million grant span a wide range of arts disciplines. We will use the funds to:

- support a half year of an innovative, new daily two-hour classical music and arts information program;
- create exciting performance specials centered on national holidays and special concert offerings from around the country;
- stimulate regional radio drama centers;
- strengthen and diversify locally-produced, nationally-distributed folk music offerings;
- give stability to jazz programming produced in cooperation with a number NPR member stations.

We would like briefly to describe each of these initiatives for the committee:

Daily Music and Arts Information Program:

Half of the one million dollar award will support six months of an innovative new daily music and arts information program. Scheduled to debut early this fall, the program will be a lively and timely mixture of concert music -- much of it recorded live -- and reviews, interviews and arts news and discussion reflecting what's going on across the country that day in the arts.

Patterned after NPR's enterprising and highly-acclaimed news and information program "Morning Edition," we expect the program to do for the arts what "Morning Edition" and "All Things Considered" do for news programming -- introduce a totally new concept to radio broadcasting. The music heard on the two-hour program will be accessible and exciting. The program's national host will give the program a national identity. He or she will present reviews of exceptional recordings, new films, museum exhibitions, television and radio programs, and important concerts and music festivals taking place across the country.

With more than nine million people listening each week to NPR member stations heard in all 50 states, the daily concert music program clearly fulfills Congress' intent that NEA funds be dispersed "as widely as possible throughout the country."

The other half of the $1 million NEA performance award will be devoted to strengthening current and developing programs, many of them co-produced with member stations, to ensure that they meet national programming standards, and to other creative new efforts.

These remaining funds will be used to produce:

Specials:

NPR already produces or distributes a number of "specials" and limited series. During the last year, performance specials distributed by NPR included the METROPOLITAN OPERA FINALISTS CONCERT; a PASSOVER SPECIAL of Jewish liturgical music; BLOOMSDAY ON BROADWAY IV, a live four-hour program featuring readings from James Joyce's Ulysses; HANDELIANA, eleven hours of continuous programming of Handel's music; ARLO GUTHRIE AND PETE SEEGER AT WOLF TRAP; ST. OLAF CHRISTMAS FESTIVAL CONCERT '85; and THE SEVENTH ANNUAL HENNY PENNY PLAYWRITING CONTEST, a live broadcast from the Kennedy Center of original radio dramas written by young people.

However, NPR's basic budget does not contain "opportunity funds" for such specials and for opportunities that come at unscheduled times. NPR plans to use a portion of the proposed NEA grant to strengthen our "specials" programming, and to take advantage of these "targets of opportunity."

NPR has already developed one dynamic model for specials in our New Year's Eve programming. Last New Year's, four NPR stations, starting in Boston and ending in Los Angeles, provided live jazz programming stretching over a seven-hour period. No matter where you lived in the country, you could celebrate the magic midnight hour by tuning in to your local public radio station and hearing outstanding jazz.

Other national holidays provide natural themes for special programming. Last Fourth of July, for instance, NPR presented a National Symphony Orchestra performance with Leonard Berstein conducting one of his own works, from the steps of the Capitol.

We would like to strengthen holiday offerings. We plan to add dramatic narratives to these events, for example. The upcoming Bicentennial of the Constitution would be a perfect opportunity to use drama to give added meaning to the celebration of national holidays.

Expanded specials are planned for the Fourth of July, Memorial Day, Labor Day, Thanksgiving, Christmas, Martin Luther King Day, and New Year's Day.

Other targets of opportunity include outstandingly significant performances and events. NPR plans to expand its offerings of these special programs, presenting important, live or live-recorded cultural and artistic performances not available to the American public on other broadcast media or on recordings.

Drama:

After hearing an NPR radio play, one young listener wrote us to say that he especially liked the "pictures."

Radio drama can stimulate the imagination to conjure up "pictures." NPR believes that presenting works written and produced for radio by American producers is an important part of our performance mission. Our vehicle for radio drama is NPR PLAYHOUSE.

However, because producing radio drama is expensive -- it costs more than recording a concert, for example -- neither we nor our member stations are able to produce as much radio drama as we would like. Out of our 1985 total arts and performance programming of 930 hours, 43 were radio drama.

We therefore want to use our NEA grant to do three things:

- establish a National Coordinating Center for radio drama at NPR;
- provide funds for acquisitions from member stations and independent producers for distribution on NPR PLAYHOUSE, and
- initiate pilot projects at Production Centers in various locations across the country.

NPR would thus be able to use our experience in production and distribution of arts programming to generate several series of consistently excellent dramatic offerings.

Jazz:

Dizzy Gillespie calls jazz America's only native art form. Over the years, National Public Radio has maintained a serious commitment to jazz programming. NPR and its member stations have produced a number of award-winning jazz programs, which the National Endowment for the Arts has supported since 1978.

Currently, NPR offers three weekly jazz programs: THE AMERICAN JAZZ RADIO FESTIVAL, a two-hour weekly show produced by WBGO/Newark, with help from WBEZ/Chicago, KLON/Long Beach, WGBH/Boston, WBFO/Buffalo, KLCC/Eugene, WHRO/Norfolk, Marian McPartland, Frank Foster and Billy Taylor; MARIAN McPARTLAND'S PIANO JAZZ, a Peabody award-winning series hosted by jazz pianist Marian McPartland and produced by South Carolina Public Radio; and SIDRAN ON RECORD, hosted by widely-respected jazz musician and scholar Ben Sidran and produced by WHA/Madison, Wisconsin.

With the continued support of the Endowment, NPR plans to continue these series as well as seek out additional special series of great jazz performances.

Folk Music:

In the past two years, NPR has added two locally-produced folk music series to its programming as part of our commitment to offer a variety of American music in the folk idiom. THE FLEA MARKET is a weekly live two-hour program featuring an eclectic blend of American and international folk music. It originates live from the Old Town School of Folk Music in Chicago and is produced by WBEZ/Chicago.

OUR FRONT PORCH is an hour-long program which started out as a success story for producing station WCMU/Mt. Pleasant, Michigan. It features Bluegrass performers, blues artists, solo folk musicians and other groups that defy traditional labels.

This year NPR is also adding a weekly series produced by West Virginia Public Radio, MOUNTAIN STAGE. The series will feature regional and national talent and blend traditional and contemporary music, storytelling, poetry, humor and audience interaction in a rare mix of old time radio and contemporary humor.

The support of the Arts Endowment will make it possible for NPR to continue these two ongoing series and add MOUNTAIN STAGE.

Summary

We have provided the committee with this brief outline of how one entity -- National Public Radio -- uses National Endowment for the Arts funds to strengthen and expand its arts and performance programming. We also support funding for the National Endowment for the Humanities. Although NPR has not applied for Humanities Endowment funding for the past three years, we were the recipient of a number of NEH awards before that. While budget constraints have prevented us from applying in recent years, we hope to re-enter the competition for Humanities grants in the future. We continue to support the Humanities Endowment's efforts to fund programs in the humanities.

National Public Radio is proud of the number of artistic disciplines we are able to encompass in our programming, and we are grateful for the Arts Endowments funds that help support that programming. We believe that the congruence of mission between the Arts Endowment and National Public Radio results in a unique synergism when NEA funds are awarded to NPR. Congress has directed the Arts Endowment to "encourage and enrich the human mind and spirit;" NPR's goal is to "present programming services which "reflect the joy and satisfaction of life as well as its problems and frustrations." Congress intends that NEA funds "be dispersed as widely as possible throughout the country;" and Congress has also directed and supported the expansion of the National Public Radio system. With NPR's growing weekly listening audience, NEA funds used to support National Public Radio programming touch roughly one in every 20 Americans.

In closing, I would just like to say a few words in reference to arts and humanities funding in the new Gramm-Rudman climate.

I am aware of the budget pressures under which committees are operating. Federal spending is being pared with an increasingly sharp knife in an effort to reduce the federal budget deficit. I hope in doing so, however, that Congress exercises its authority to examine each program on its merits.

One of the greatest strengths of Arts and Humanities grants is their ability to foster public-private partnerships "to encourage and enrich the human mind and spirit, and to foster the creativity of the American people."

These contributions to the quality of American life are sometimes difficult to measure. How do you measure stimulating the imagination of a young listener to "see" radio drama pictures? How do you measure the tolerance for ethnic differences which listening to folk music can bring?

Arts and performance programming on public radio helps provide these benefits -- benefits to our country, as well as to our listeners.

The United States has many needs. We also have many resources. A measure of our greatness as a nation can be found in the careful balancing of the distribution of those resources. NPR believes that funding at the highest possible levels for the National Endowments for the Arts and the Humanities belongs in that balance. We applaud and vigorously support the committee's efforts, and those of the arts community and the respective Endowments, to reinforce America's most fundamental values -- its cultural values.

WASHINGTON OFFICE

AMERICAN LIBRARY ASSOCIATION

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April 11, 1986

The Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
House Appropriations Committee
U. S. House of Representatives
Washington, D. C. 20515

Dear Mr. Yates:

This letter is submitted on behalf of the American Library Association, a nonprofit educational organization of more than 42,000 librarians, educators, trustees, and other friends of libraries, dedicated to the improvement of libraries and information services for all citizens. We request that it be made part of the hearing record on appropriations for the National Endowment for the Humanities.

On behalf of the Association, I want to thank you for your leadership as the champion for the humanities and arts in Congress. We particularly appreciate your support in 1984 which was instrumental in reinstating library programs as a line item in the NEH budget and last year in defeating the Endowment's efforts to severely cut Humanities Projects in Libraries. However, the Endowment is still trying to bleed this program to death. In its fiscal year 1987 budget, Humanities Projects in Libraries has been targeted for a 52 percent cut, while the Endowment's total budget is proposed for an 8.8 percent decrease. We request that you and your colleagues reject this unfair proposal to slash Humanities Projects in Libraries to $1,400,000 and support continuing this program in the FY 1987 budget at least at the FY 1986 appropriation level of $2,922,000. If cuts cannot be avoided, then we urge that reductions be taken in an evenhanded way.

A 52 percent cut would most certainly have a detrimental effect on the program itself, and would severely limit the number of proposals which could be funded and the people who could be involved now that enthusiasm for humanities projects in libraries has been kindled again with excellent programming and with guidelines. During the 1985 fiscal year, 62 proposals were received by the Humanities Projects in Libraries Program. Of those, 33 were granted support. While these figures show that more than 50 percent of the applications to the program received support in FY 1985, the growth in the number of applications to the program over the past two years (FY 1984, 43 applications; FY 1985, 62 applications) clearly indicates that the percentage of the number of applications which could receive support would fall from 50 percent to 20 percent, a figure which seems to be the Endowment's typical percentage for applications receiving support. On the other hand, if program funds were reduced from $2.7 million in FY 1986 to $1.4 million in FY 1987, the program would be able to support fewer than 10 percent of those received.

EXECUTIVE OFFICES: 50 EAST HURON STREET, CHICAGO, ILLINOIS 60611 • (312) 944-6780

Since guidelines for Humanities Projects in Libraries were issued in November 1984, the growth of applications is evident. Even in the first round of applications to the program in 1986, there were 46 applications received and three emergency grants were made by the Chairman of NEH. During the first half of the year, 49 proposals have been received, and another 50 proposals are expected for the second half of the year. A total of 99 proposals for FY 1986 will almost double the number of proposals submitted to the program in FY 1985, and will be five times greater than the number of applications received during the years when the program had no guidelines. During a time of such growth in a program that helps many libraries with their efforts to become lively centers of intellectual and cultural life for the people they serve, is there justification for cutting the program by 52 percent?

During his February 4 State of the Union message, the President stressed that the American dream is "when the least among us aspire to the greatest things--to venture a daring enterprise; to unearth new beauty in music and literature and art..." However, his Administration apparently considers programs that help fulfill this dream a low priority. In its FY 1987 budget documents, the Endowment points out that:

> ...libraries offer a natural setting for scholars and the general public to come together for discussion and critical inquiry. The Endowment seeks to make the best use of that setting by promoting programs that increase public understanding of the humanities through the discovery, interpretation, and greater appreciation of books and other resources in library collections. There are no other federal nor any non-federal programs that offer support for public education projects in the humanities sponsored by libraries...Only NEH offers support for programs which bring together scholars and members of the general public for the thoughtful exploration of library collections in the humanities.

A sampling of the library grants made by NEH in FY 1985 helps to make one aware of the nation's cultural heritage. Among the writers who will be or have already been discussed in programs in the past year are Wallace Stegner, Leslie Marmon Silko, Edward Abbey, and Alberto Rios at Arizona State University; Emily Dickinson at the Folger Shakespeare Library; Tennessee Williams at Key West, Florida; Robert Browning at the Sonoma County (California) Library; and authors represented in the Library of America Series at the Tucson Public Library.

Exhibits will include a traveling exhibit by ALA on Censorship and Libraries; Bicentennial exhibits and programs at the New York Public Library; one on the history of education in the Old Northwest at Ohio University, Athens; and another on Folk Art at the Museum of American Folk Art.

Since 1978, the library program has continued to provide support for projects and programs which have been landmark projects having a broad impact and a significant contribution to the strengthening and upgrading of the quality of adult education in humanities for the average citizen.

"Let's Talk About It: Reading and Discussion Programs in America's Libraries" is just such a program. Sponsored by ALA and funded by NEH, "Let's Talk About It" is a vital three-year project which has brought together book lovers and scholars to explore themes of contemporary life and culture through a mix of classic and popular literature in over 300 American public libraries in 30 states. It is estimated that 30,000 people were involved. Preliminary reports indicate that the program has been a resounding success. Many participating libraries would like to continue with the reading and discussion series which they have started through this program, and some have secured funding to do so through their local humanities councils. Response from every level--from participants, scholars, librarians and publishers--has been enthusiastic. From Mississippi came these comments: "The program has been a great benefit to the community," and "In a small town, this kind of programming is not available except through the library." Scholars have found that the contact with the community outside the university was beneficial and that "Let's Talk About It" helped them to establish relationships between academe and the community it serves. Publishers have commented that this was the most well organized reading and discussion series they have seen. Librarians found that the program attracted people who did not often come to the library as well as frequent users. Frequent library users commented that "Let's Talk About It" provided the kind of intellectual stimulation, the sharing of ideas in books through discussion, that they had not experienced since their college days.

Still another exciting program involves ALA's Young Adult Services Division in an NEH project which runs through June 1987. This project will develop sixty teams of librarians and scholars who will then design and implement humanities programs for teens between the ages of 12 and 18. The first training workshops begin this September. So far the response from librarians is extremely enthusiastic since they are expanding NEH programs to a potentially very large audience of young people in an out-of-school setting.

If FY 1987 funding is cut as drastically as is proposed, what kinds of future projects will be at risk of being denied support? Here are examples of applications we are aware of which have been submitteed for those funds:

- The North Suburban Library System based in Wheeling, IL has a proposal before NEH for a series of programs on "Reflections: Writers of the Late 1970s." This seminar series will be on the theme of the humanities as vehicles of reflection about personal ideas and values, the community, and our times. Focus will be on works from the late 1970s which examine themes still prevalent in the 1980s. A range of disciplines and genres will be included; authors are excellent American creative writers. Scholars will prepare study guides, train librarians to lead discussions, make formal seminar presentations and provide consultation for librarians to develop similar programs after the grant period is over. A program package of materials for the project will be made available to all the libraries in Chicago and the Chicago Metropolitan area.

- The District of Columbia Public Library has a proposal pending for a reading and discussion program on the theme of intellectual freedom which is patterned after "Let's Talk About It." A scholar will be asked to introduce the topic, lecture on the content of the book, the author, and the literary and social history of the period. The program will involve an attempt to discover the social forces behind the banning of certain books through an understanding of the cultural context of the time in which the book was written and a discussion of the intellectual freedom issues involved in the banning. Titles to be discussed include Huckleberry Finn, Elmer Gantry, The Grapes of Wrath, In The Spirit of Crazy Horse, and The Awakening.

- The American Library Association is seeking support for a proposal to re-package an existing exhibit at the New York Public Library on the Bicentennial of the Constitution so that the exhibition can be made portable to travel on a nationwide tour of ten major urban libraries over a two-year period. ALA will also create an outreach packet of information for the libraries which cannot receive the exhibit.

Although the bulk of this letter focuses on Humanaties Projects in libraries, I cannot neglect to mention that the nation's libraries--academic, public, research and special--benefit from other Endowment programs, and we ask your support for them too. For example, in the latest round of NEH challenge grants, 15 of the 41 involve library funding for buildings, preservation, and computerization, but most of all for acquisitions in the humanities. Challenge grants in this area will go to Denver Public Library, the College of Idaho, Chicago Historical Society, the American Antiquarian Society, Hamline University, Midland Lutheran College, Guilford College, Washington & Jefferson College, Brown University and Clemson University. Grants total $14.9 million and will be matched by $44.7 million in new institutional support.

We also support the request for the appropriation of $4,000,000 for the Office of Preservation. These funds will make it possible for the office to pursue effectively the NEH commitment to undertake significant preservation activities. As you know, there is an urgent need to preserve and make available essential research materials in the humanities now and in the future.

In conclusion, Mr. Chairman, we urge you to reject the request to cut Humanities Projects in Libraries from the FY 1986 appropriation of $2.922 million to $1.4 million a 52 percent decrease, and to fund this program at least at the current level. We hope that any cuts will be made in an evenhanded way.

Thank you for your continued support of the arts and humanities, and for the recognition of the vital role which librarians and libraries play in fostering the humanities.

Sincerely,

Eileen D Cooke

Eileen D. Cooke
Director
ALA Washington Office

EDC/pm

THURSDAY, APRIL 17, 1986.

BUREAU OF LAND MANAGEMENT

WITNESS

HON. JOHN F. SEIBERLING, OHIO

Mr. YATES. Mr. Reporter, show the hearing as coming to order.

This is the hearing for outside witnesses, and particularly members of Congress, today, on their requests for the committee's attention to particular items in connection with the budget for fiscal year 1987.

Our first witness this morning is our good friend, Mr. Peter Kostmayer from Pennsylvania. Is he here? He is not.

Then we will have Mr. Seiberling, accompanied by Mr. Udall, Mr. Weaver, Mr. Rahall, and Mr. Vento, all of whom are represented in the person of Mr. Seiberling.

Mr. SEIBERLING. They are coming. I don't know whether I should kick off here.

Mr. YATES. Of course you should.

Mr. SEIBERLING. How much time have you allotted me?

Mr. YATES. The shorter the better for all of us.

Mr. SEIBERLING. I understand.

Mr. YATES. As much as you have to do.

Mr. SEIBERLING. Let me first of all hand you a copy of my prepared statement.

Mr. YATES. Your prepared statement may go into the record at this point.

Mr. SEIBERLING. I appreciate that very much.

Second, I apologize for the length of the prepared statement. The Public Lands Subcommittee is the largest and the most active of the subcommittees on the Interior Committee, and we have a very wide range of subject matter.

Therefore, we have to necessarily go into some detail that others might not. I would add that we express many of the same concerns and recommendations in the printed recommendations that the full committee made to the Budget Committee and your subcommittee, and so this is perhaps an update, and somewhat abbreviated version of those recommendations.

Let me just quickly, Mr. Chairman, try to hit some highlights here.

First of all, we deal with the Bureau of Land Management's budget. We strongly recommend that you maintain the baseline funding for the BLM for 1987 and reject the President's cut of $5.8 million.

The management of renewable resources is where the administration has cut. It has already been cut very significantly, and we think that with the tremendous responsibilities that BLM has, it is essential they continue to have adequate funding for resource management, not just production of timber, minerals and oil and gas.

Second, we would propose that we start with a realistic firefighting budget for the BLM. I call it "truth in budgeting approach."

Year after year, we find we are seeing reprogramming of funds from the Park Service, land acquisition and other funds to pay for the BLM's activities in firefighting. Then each year your committee puts the money back in a supplemental or in the following year's appropriations. And then they do it all over again.

So, in effect, this is a revolving fund which looks like it is going to land acquisition and the Park Service and other agencies, but, in fact, is just a revolving fund for firefighting.

We think we should start being realistic and putting in the BLM's budget a separate revolving fund for firefighting and perhaps start modestly at $10 million, although that would only be a quarter of what they historically spend each year.

Third, we hope you can maintain the funding level needed to manage the wilderness study areas, the wilderness areas of the BLM, because, as you know, under the Federal Land Policy Management Act, those are required to be protected until Congress decides otherwise, and your committee has done a particularly great service to the public in making sure that we don't have oil and gas leasing in those wilderness study areas. And we commend you for it even though it is legislating in the appropriations bill.

We like legislating appropriations bills when we agree with the results.

Mr. Chairman, therefore, we hope you will continue the ban on leasing in these candidate wilderness areas. We plan to hold hearings very soon on oil and gas leasing legislation, hopefully to reform the present system, which is riddled with inequities and bad management policies.

Turning to the Forest Service——

Mr. YATES. Come up to the table with Mr. Seiberling.

Mr. SEIBERLING. Your subcommittee did an outstanding piece of work last year in reducing Forest Service money for road construction.

Unfortunately, a lot of it got knocked out in the Senate, but nevertheless, a start was made.

We recommend $60 million being eliminated through reduction of the funds for forest roads or else a one-year moratorium on road building, either one of which ought to accomplish the same thing.

There are far more timber roads now than are needed to supply timber to meet the current demand, as you know, and therefore, it seems in a time of constrained budgeting a misallocation of funds to have them go merrily along.

We have had long hearings with the Forest Service and private conversations with the Chief, and they say, well, they have to maintain their personnel.

And my response was, business and Government are cutting back because of financial constraints, and I don't know why the Forest Service bureaucracy shouldn't be subject to the same kind of requirements if the money is not needed and the roads are not needed.

Pest control research is a very important area. We had a hearing just last month on the southern pine beetle research.

This is an extremely difficult problem. The Forest Service is going ahead and cutting trees in wilderness areas in Texas on the theory that by cutting down the trees that have beetle infestations and cutting a buffer zone around them, they will control the southern pine beetle.

Our hearing demonstrated quite unequivocally, there is no scientific proof that that is a valid approach and, in fact, the biologist that testified for Texas and other places indicated it may actually have the opposite effect.

In any event, there is no proof it is effective.

We recommend the $1,115,000 be the budget for southern pine beetle research for fiscal year 1987, and that $400,000 of that should be specifically directed towards research on effectiveness of harvesting as a method of controlling southern pine beetles.

And pending the outcome of the research, we think there should be an absolute ban on cutting in wilderness areas for pine beetle control.

International forestry aid—we hope you can maintain last year's $750,000 for cooperative research, and we hope you could increase technical assistance to a million dollars.

As you know, there is a great deal of concern worldwide about destruction of tropical rain forests and other forests.

The Forest Service is in a good position to help introduce practices in some of these areas that will not result in the devastation of these areas.

A couple other important things, and I think I can then pass on.

Admiralty Island—we have been negotiating now for over a year to try to get the Sierra Club, the Miranda Mining Corporation, the Forest Service, the Shee Atica Corporation, the Sealaska Corporation, and the Village of Rangoon to reach an agreement on an exchange which will result in getting the inholding that the Shee Atica holds on Admiralty Island eliminated with no more timber cutting, helping Noranda to have time to do its exploration in an environmentally sound way.

And it is going to probably necessitate providing some cash to Shee Atica, which is in a bad financial situation, in addition to providing them with some other timber lands.

We have not yet finalized what we think the cash is going to be. They have asked for almost $20 million. We think that is way, way off the mark, but we are trying to come up with something that is reasonable, and we will have to supply you with figures later.

Cuyahoga Valley National Recreation Area—we hope and expect that you will release the $4.5 million that you appropriated last year that the administration has tried to rescind.

Sufficient funds are needed for 1987 to acquire—

Mr. YATES. That money should be available. The rescission has now expired.

Mr. SEIBERLING. That is wonderful. I thank you very much. That is good news to the Park Service.

The Park Service advises me they need funds to acquire nine parks in the fiscal year 1987. I do not have the figures at this time.

Mr. YATES. You can provide those later for our files.

Mr. SEIBERLING. They also need $1,675,000 for restoration, trail construction and erosion control.

I am very concerned every time I drive through the recreation area—there are two principal north-south roads. It doesn't matter what time of day, there are dozens and dozens of joggers and bicylists right along the pavement.

I am afraid there are going to be accidents, and I think we must move ahead to try to make a start on trails development and restoration.

The Cuyahoga Valley Association is starting an effort to raise private funds to help do this work, too, but we need to have some Federal support.

Mr. YATES. We are looking for a 90/10 share.

Mr. SEIBERLING. Well, maybe we can make it even 80/20.

The Advisory Council on Historic Preservation—we hope you will restore the funding despite the administration's effort to cut it by a third, and the historic preservation fund, likewise.

I guess I have one more very urgent request. The administration is playing semantic games with the entitlement programs, legislation for the compact of free associations.

We mandated they spend $14.1 million for four programs: radiological health care program for the people contaminated by the 1954 test; food program for the Bikini and Enewetak people; the Enjebi community trust fund to resettle some of the people; and continued prior service benefits for employees of the Navy and Trust Territory Government.

They are taking the position that this requires an additional appropriation, that it is not a mandated spending.

We did not use the traditional entitlement language in this statute, but it says, "The Secretary shall—"

Mr. YATES. And you are underlining "shall".

Mr. SEIBERLING. We think that should be emphasized. We also need $8 million to begin the cleanup of Bikini. The administration signed the settlement of a lawsuit, a $4 billion lawsuit settling that, and yet they still have not implemented it and insure unconscionably we do not do that after 40 years of saying we would.

You will also see in there some recommendations to continue, at a fairly low level, the National Park Service international programs.

And we also recommend a strong continuation of baseline funding for earthquake research in the east, in particular.

We had an earthquake of 5.00 on the Ricther scale in northern Ohio, the first one of that scale, in my memory, and it was only a few miles from the Perry nuclear site.

Mr. YATES. We were very much aware of it.

Mr. SEIBERLING. We had a hearing last week and testimony by a number of important geologists that we really don't know what the earthquake can do in the United States, but it is probably greater than we suppose, and they think continued research on that is vital.

Mr. YATES. The administration, in the present budget, has cut funding for the program, but we will take a look at it.

Mr. SEIBERLING. Thank you very much.

[The statement of Hon. John F. Seiberling follows:]

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Statement of
the Honorable John F. Seiberling
to the
House Appropriations Subcommittee
on Interior

Thursday, April 17, 1986

Mr. Chairman, I am pleased to present to you in written form the priorities and concerns of the Subcommittee on Public Lands of the House Interior Committee.

I apologize for the length of the statement, but the Public Lands is the largest and most active of Interior's Subcommittees and hence oversees a wider-than-usual range of subject matter. This also means that we have more than our share of vulnerable programs as the Administration attempts to scale back the national commitment to conservation and historic preservation. I hope you will keep this in mind as you review these requests. Your Subcommittee has been a valued friend in maintaining a sense of balance in national priorities.

Many of the following concerns are also expressed in the Interior Committee's report to the Budget Committee earlier this year. A copy has been furnished to your staff; we urge you to consult it for elaboration on these remarks.

Bureau of Land Management

Our Committee's report to the Budget Committee outlined a number of respects in which we support more funding for BLM programs than requested by the Administration. I will not repeat them in full, but I will stress three things:

First, the matter of funding for BLM programs for management of renewable resources. This is an area where the Administration has repeatedly proposed reductions that would have a deleterious effect on sound management of the public lands. I strongly urge that at least the baseline level of funding be maintained for these programs, along the lines outlined in our Committee's report. Overall, this means an increase of about $5.8 million over the President's request in this area.

Second, I want to again urge adoption of a "truth in budgeting" approach to the BLM's firefighting budget. This also is not new. As in the past, the BLM budget request lists only a minimal amount for firefighting purposes, although it is well known that more--likely much more--will be required. As in the past, the other land-managing agencies, such as the National Park System, will be called upon to reimburse BLM for costs of firefighting on their lands--and in turn, rescissions will be proposed or reprogramming will occur that in effect diverts moneys appropriated for other purposes so that it can go to reimburse BLM. A favorite source of such money is the land acquisition program, and so again the Administration is proposing rescissions from money appropriated for that purpose, including money appropriated for acquisitions in the Cuyahoga Valley National Recreation Area. I urge that you end this game-playing by establishing a BLM firefighting fund, with an adequate appropriation for start-up purposes, and that additional funding be provided as necessary. In our Committee's budget report, we suggest a $10 million appropriation to get this fund started.

BLM Wilderness Management

I want to thank the Chairman again for his successful efforts to increase funding for the management and protection of BLM Wilderness Study Areas. I believe that the increased funding you helped make available for this has helped enormously in increasing the level of protection given these areas, and I urge you to continue this specific allocation of funding to ensure that the Administration continues to adequately provide for interim protection of BLM Wilderness Study Areas.

Continuation of this funding at the same level as enacted last year provides a bare minimum level of protection for these lands. My Subcommittee intends to continue our oversight of the BLM wilderness program, and we will be keeping a close watch on how the Bureau is protecting WSAs--and protecting the prerogative of the Congress to decide which of these lands ought to be designated wilderness.

Mineral Leasing

Once again, I would like to thank the Chairman for his efforts in putting together and continuing the ban on mineral leasing in wilderness candidate areas. I urge that this ban be continued. It is absolutely vital to the protection of the integrity and wilderness character of these lands until Congress has time to decide their future.

Since the last time I testified in favor of continuing the ban, our Committee has reported out a statewide wilderness bill for national forest lands in Nevada. And a bill for Montana's forests has been under discussion by the Montana delegation, and could well be acted on this year. The wilderness leasing ban has materially helped our committee and the local delegations by allowing for a more rational discussion of potential oil and gas values.

Even more importantly, the ban has protected BLM lands, where the bulk of our decision-making on wilderness still lies ahead of us. Despite the fact that the Federal Land Policy and Management Act prohibits the BLM from allowing any activity that would damage the wilderness qualities of its wilderness study areas, the BLM has allowed hundreds of intrusive projects, including roadbuilding, installation of pipelines and pumps, and major mining projects in WSAs under a policy which holds that these developments did not affect an area's wilderness quality, because they they were "temporary" and could later be removed. From my experience with cases like Mt. Ellen in Utah, I believe these intrusions are far more difficult to reclaim than the BLM contends, and that they create vested interests against wilderness designation. Without the leasing ban, the number of such intrusions would be multiplied many times.

Mr. Chairman, you may have heard that I am working with other Members of the Interior Committee to draft a bill for comprehensive reform of the onshore oil and gas leasing system. That bill, which I hope will be introduced shortly, will include a ban on oil and gas leasing in wilderness candidate areas, based on the provisions you helped work out in appropriations bills.

I know, too, that you are interested in seeing reform of the present leasing lottery. The bill I will be introducing would replace the lottery with an all-competitive leasing system that will be largely immune from the abuse, misuse, and legal problems that have plagued the lottery, and will make sure that the government and the American people get a fair return for the natural resources in the public domain.

Forest Service Roads

The Forest Service road program remains an areas where I believe substantial savings ought to be made. In the hearings on the President's budget held jointly by my Subcommittee and Mr. Weaver's, I could discern no evidence of any actions by the Forest Service to improve the efficiency of their budget in the roads program, despite the overall budget situation, continued Congressional concern over the justification for this program, and the Forest Service being singled out in the President's budget message as an agency in need of reform for economic efficiency.

Instead of meaningful response on this issue, the President's budget proposed a charade of unrealistic proposals, including basing payments to counties on net rather than gross receipts, collecting tens of millions of dollars in new recreation fees, and asking only a fraction of what they know they will spend for firefighting.

That the charade was quite conscious is borne out by the simple fact that they have not so much as sent our Committee a legislative proposal to implement their net receipts or recreation fee recommendations.

They have proposed simply reducing timber sales, instead of seeking greater efficiency in the timber sale program. They have been experimenting with new accounting systems. But the results of those experiments are being turned to producing a new accounting system, rather than any substantive reform.

I believe that only strong action by the Appropriations Committee will succeed in getting the Forest Service to grapple with this issue, and would strongly support a large reduction in the appropriated roads budget, or a one-year moratorium on road-building with appropriated funds. Such a moratorium would save more than $60 million.

Such a moratorium would not affect road reconstruction programs, roadbuilding by means of purchaser credit, and allowing the Forest Service to continue to provide engineering for purchaser credit roads. Nor would it affect timber harvest in the short-term. According to the last RPA, it should not prevent the Forest Service from meeting its RPA timber goals--the Forest Service has already built all the roads it said it needed to meet those goals, and more.

It would get the Forest Service to put some effort into a realistic appraisal of its timber and roads programs and get it to face up to how to make its road and timber programs more cost-conscious, cost-effective, and defensible in an era of budget deficits.

Forest Service Recreation Budget

The President's Budget suggested reducing appropriations for Forest Service recreation programs by $52 million, with the funds to be generated from a "recreation users fee fund" to be created by legislation which would make those funds available without appropriation.

The Administration has not presented us with any legislative proposal to implement this recommendation, and even had they done so months ago, it is very doubtful such a program could have collected that much money in time for use in Fiscal Year 1987. The national forests are a recreational resource of immense importance to America, in all parts of the nation, and it is important to continue to appropriate adequate funds to continue their recreation management programs at the same level as last year--approximately $103 million.

Grazing Fee

I tried last year, with Chairman Udall and the Committee and Subcommittee Chairmen from the other body, to negotiate a range bill that would have addressed the fee and a number of other important issues in range management, including riparian (streamside) area improvement, the makeup of BLM advisory boards, and general standards for range management on public lands. At various times, we seemed close to agreement on proposals for a modest raise in the fee level.

It is certainly true that the grazing programs of the Forest Service and the BLM do not pay back their costs, and that the fee which the President has now set is far below the appraised market value those agencies determined in their fee study--which was, for a westwide average for mature cattle, $6.75 per Animal Unit Month (AUM). The President set the fee at $1.35/AUM.

And it is also true that midwestern cattlemen have told me that they believe that such low grazing fees hurt them. However, I had hoped that we could work out some reforms that would help improve the condition of western rangelands, which I felt would justify enacting a less than market fee for grazing on public lands.

Forest Research-Pest Control

A March 18 oversight hearing on the control of the southern pine beetle held by the Public Lands Subcommittee indicated the strong need for additional scientific research on the effectiveness of harvesting to control the spread of the southern pine beetle. I strongly urge you to support the Committee's recommendation that the budget for southern pine beetle research be increased to $1,115,000. $400,000 of that amount should be specifically directed toward research on the effectiveness of harvesting. Additionally, we should require that the Forest Service be prohibited from cutting trees in wilderness areas to treat the southern pine beetle until an Environmental Impact Assessment of that treatment is produced.

International Forestry

I also personally support the Interior Committee recommendation that funding for technical forestry assistance to developing countries be maintained at the FY 1986 level of $750,000 (NOTE: the Committee Report has a typographical error and says $75,000 instead of $750,000), and that the funding for cooperative research and technical exchange in forestry be increased to $1,015,000.

Admiralty Island

Last year, the Congress directed the Secretary of Agriculture to enter into negotiations with Shee Atika, Inc., the Native corporation that owns about 23,000 acres of land within the Admiralty Island National Monument wilderness area in Alaska. The idea was to see if a deal could be struck whereby Shee Atika would agree not to build roads or cut timber on some or all of these lands while efforts were going forward to arrange an exchange which would enable Shee Atika to relinquish its inholding in the Admiralty Island wilderness. We have been told by the Forest Service that these negotiations are now underway. Our Committee recommended that at least $1 million be appropriated for purposes of the interim agreement, if one should be reached.

Meanwhile, since the adoption of the Committee's budget recommendations, intensive discussions have begun to see whether we may be able to move legislation which would authorize an exchange for Shee Atika's inholdings and also enable Sealaska Corporation to exchange its subsurface inholding in the Admiralty Island wilderness area for subsurface rights in the Greens Creek area.

I wish I could assure you today that such legislation will be enacted shortly. Unfortunately, I cannot be absolutely sure of that. However, I do think there is a reasonably good chance of our succeeding with such legislation, and I do know that one element of such an exchange will have to be appropriations to supplement the non-monetary provisions.

Therefore, on behalf of myself and Congressman Young, I request that the fiscal 1987 appropriations bill include an appropriation for purposes of completing an Admiralty Island exchange, subject (so far as present authority may be inadequate) to enactment of authorizing legislation. I expect that an amount in the range of several million would be involved. Unfortunately, I cannot be more specific until our efforts to shape legislation are more advanced. But I will be contacting you as soon as possible to provide a more precise estimate.

Tongass National Forest

Mr. Chairman, I know that your Subcommittee is interested in the current provisions of law regarding funding for Forest Service management of the Tongass National Forest. Obviously, this unique management--and "entitlement" of at least $40 million annually--deserves careful Congressional review in this time of increased attention to federal deficits, and in fact the Public Lands Subcommittee intends to give it much review.

Section 706 of the Alaska Lands Act mandates periodic reports to Congress on the status of management of the Tongass National Forest. We have recently received the Forest Service's first such report, and plan to hold oversight hearings on Tongass National Forest management in May.

In those hearings, we will be examining a number of issues which I know are of concern to you as well, including below-cost timber sales and the way the Forest Service interprets the requirement of the Alaska Lands Act that an average of 450 million board feet annually be "made available" to industry. We intend to keep you and the rest of the Congress fully and currently informed about the results of our inquiries, and welcome your interest in this important subject.

Submerged Lands

There is one Alaska matter which I would urge not be dealt with in the appropriation bill, and that is the suggestion that restrictions be placed on BLM's treatment of submerged lands in connection with conveyances to the State and the Native Corporations. This is a subject of litigation, and also one which our Committee has been actively considering for some time. In order to maintain the status quo, legislation was passed last year to defer a statute of limitations on lawsuits on this issue. That was done in an attempt to facilitate arriving at a compromise solution. It would only make the chances of a successful compromise more remote if the suggested language or something similar were to be included in the appropriations bill, and I urge that any such language be omitted.

Cuyahoga Valley National Recreation Area

Mr. Chairman, last September the Cuyahoga Valley National Recreation Area celebrated its Tenth Anniversary. For all of us, it was a time to reflect on the tremendous progress that has been made, thanks to this Subcommittee and the many park professionals who have served there.

Having spent $85 million, and awaiting release of its FY 86 $4.5 million appropriation, the Cuyahoga Valley NRA is nearing the end of its land acquisition program. A shrinking list of properties is slated for acquisition: less than 40 tracts of more than twenty acres will remain to be acquired as of FY 87. Unfortunately, some of these tracts are ripe for incompatible private development, and I hope that you will be able to see your way to make sufficient funds available to address the more urgent cases. I understand that the high priority properties which need to be reached with FY 87 funds could run as high as $7 million but, as we are learning all too well in the CVNRA, this cost will rise out of sight if we let the owners of some of these parcels begin developing them. Of the nine parcels that I hope can be addressed in FY 87, industrial development is imminent on five; residential subdivision is imminent on two; rural residential development may occur on one; and only one parcel, the Valley Trailer Court, is not threatened with further development.

The Subcommittee has provided the initial and continued funding for a number of on-going projects in the CVNRA, and I hope that additional funds can be approved to push these projects towards completion. The on-going projects include restoration of the Locktenders House; Everett Village restoration; completion of the Greenwood Village Carriage Trail.

In addition, I hope that the Subcommittee can support the important planning and development work needed on the system laid out under the CVNRA trail plan. Planning needs to be done on restoring the historic Station Road Bridge, the only planned pedestrian and trail crossing near river-level for miles in either direction; the major north/south River Corridor Trail; and the Kendall Loop, which serves a very high use area. But most important, I feel, is support for the construction of the initial portion of the Towpath Trail from Ira to Everett Roads. This section is so important in my mind because of the considerable number of bikers, joggers, and other outdoor enthusiasts who regularly mix with automobile traffic on Riverview and Akron-Peninsula Roads. The start of construction on this multi-use trail can be expected to relieve the problem in the heavily travelled area south of Peninsula.

Finally, given the magnitude of the erosion problem in the CVNRA, continued funding for the erosion control work will be critical for years to come. I have attached a listing of the development projects and the funding levels I hope you can support for FY 87.

Historic Preservation Programs

Following is a chart and summary of recommendations for the national historic preservation programs.

HISTORIC PRESERVATION PROGRAMS

[In thousands of dollars]

PROGRAMS	FY 1986 Appropriations (less 4.3%)	President's FY 1987 Budget Request	Committee Recommendation
Advisory Council on Historic Preservation	1,575 (1,507)	1,417	1,507
National Park Service:			
Historic Preservation Fund	24,795 (23,729)	0	24,795
National Register Programs	6,843 (6,549)	6,843	6,843
Environmental compliance and review	400 (383)	400	400
Grant Administration	1,149 (1,100)	1,122	1,122

Advisory Council on Historic Preservation ($1,507,000): The Administration's attempt to cut out nearly a third of the Council's staff is of great concern. This small agency has the enormous task of over-seeing all Federal undertakings affecting the nation's historic resources. Our Subcommittee has long supported this program. We urge you to restore not only the funding but also the staffing levels needed to assure that the Council can continue to carry out its legal mandates.

Historic Preservation Fund ($24,795,000): The Subcommittee does not agree to the Administration's attempt to eliminate the historic preservation fund, which provides matching funds to the States and the National Trust for Historic Preservation. As was pointed out at our hearings, this is not the usual type of grants program directed only at specific projects. Both the States and the National Trust carry out a variety of programs pursuant to Federal law. Yet, because this is a matching program, the Federal government is the beneficiary of a system by which 50% of the services are paid for with non-Federal funds.

The amount we recommend for fiscal 1987 would provide $20,411,000 for the States and $4,384,000 for the National Trust. This is the same amount as was appropriated for fiscal 1986. Because of the costly disruptions to the States and the National Trust resulting from the Administration's proposed rescission, the Subcommittee did not include the Gramm-Rudman 4.3% reductions in making our recommendations for fiscal 1987.

(We also appreciate your Committee's action rejecting the proposed rescission.)

Compact of Free Association/Preservation Fund: In addition, I want to bring to your attention a related matter concerning another Administration attempt to violate the Compact of Free Association Act. Other aspects of Compact funding are treated elsewhere in this report. This case involves Section 105(1) which says, among other things, that while the Compact is in effect, "the grant programs under the National Historic Preservation Act shall continue to apply to the Federated States of Micronesia and the Marshall Islands in the same manner and to the same extent as prior to the approval of the Compact." The Compact further specified that these funds would be "in addition to and not charged against any amounts paid" to them under the Compact or subsidiary agreements. (Emphasis added)

The Interior Department is apparently refusing to comply with these provisions on the grounds that Section 105(1) creates an authorization but not an entitlement, and that specific appropriations language is needed. This is an absurd position, since the National Historic Preservation Act (NHPA) is itself an authorization. The Compact simply authorized the new governments to be treated the same way as they had been as the Trust Territory under the NHPA. No separate appropriation language is needed as no additional funds are necessary; the same distribution formula would continue. Indeed, under the

Interior Department's reasoning, the Republic of Palau (which was not party to the Compact and remains under the jurisdiction of the Trust Territory) would receive _all_ of the Trust Territory allocation rather than its usual share of it.

In order to further clarify the matter, however, the affected preservation officers from the former Trust Territory have proposed report language* but apparently this would only relate to the 1987 appropriations. Additional action may be needed to assure that the 1986 funds are also properly allocated.

Other National Park Service Historic Preservation Activities: The Subcommittee also reviewed the other historic preservation activities of the National Park Service and concurred with the Administration's requests for the National Register ($6,843); Environmental compliance and Review ($400,000) and Grant Administration ($1,122,000).

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* "The Trust Territory of the Pacific Islands is a State eligible for Historic Preservation Fund grant assistance under the National Historic Preservation Act (NHPA), Section 301(2). Pursuant to Section 105(11) of the Compact of Free Association Act, P.L. 99-239, the Federated States of Micronesia and the Republic of the Marshall Islands shall also be considered States for purposes of this and future appropriations under the NHPA. The remaining jurisdiction covered by the Trust Territory of the Pacific Islands, the Republic of Palau, shall continue to be an eligible grantee for funds under the NHPA for the duration of the Trusteeship. No additional funds are earmarked for the new jurisdictions and the Trust Territory of the Pacific Islands except the sum appropriated for grants to States under this appropriation."

Trust Territory of the Pacific Islands and The Compact of Free Association

While I intend to submit a lengthier and more detailed statement on Micronesia funding to your Subcommittee on April 29 when you hold the budget hearing for Micronesia, I would nevertheless like to address today what I consider to be serious omissions in the Administration's proposed budget for fiscal 1987.

All that I will highlight today has been detailed in the Interior and Insular Affairs Committee's February 25, 1986, recommendations regarding the President's proposed budget for Micronesia in Fiscal 1987. The Administration, unfortunately, has chosen to act as if the Congress never had the Compact for the Federated States of Micronesia and the Marshall Islands before it for almost two years and never made any changes in it. The Administration takes the position that it will only fund what was in the original negotiated document and prefers to ignore all the amendments that were added to the Compact to fulfill outstanding and continuing U.S. commitments and obligations to the Micronesians. The importance of funding these Congressional add-ons bears repeating.

First of all, there are four provisions that we consider to be entitlements: 1) the continuation of radiological health care for the remaining 170 some Rongelap and Utrik people who were contaminated by radioactive fallout from the U.S. thermonuclear test in 1954; 2) continuation of agricultural and food programs for the Bikini and Enewetak people for at least the next five years; 3) the establishment of the Enjebi Community Trust Fund for the Enewetak people who are from Enjebi so that once the island is declared safe for habitation, a community can be built; and 4) the Prior Service Benefits Program, a program established by the United States for employees of the U.S. Navy and Trust Territory government and funded to date by the United States.

These four provisions would total $14.092 million in fiscal 1987.

There was nothing in the original negotiated Compact that would have guaranteed that any of these four programs would continue to be funded. That is why Congress added language to the legislation that was signed into law to specifically provide money from the United States to these governments for these programs. We were careful in seeing that the language of these provisions was language above and beyond any simple authorization language. We were fairly certain that if we only inserted authorization language for these programs into the legislation, neither this Administration nor any other one would ever get around to requesting that appropriations be made.

Beyond the four entitlements, there is the Bikini cleanup. Despite the fact that the executive branch of the U.S. government approved of the settlement of the Bikini people's lawsuit against the United States and despite the fact that OMB was represented on the Interagency Committee that reviewed and agreed to the terms of the settlement, OMB did not include any money in the proposed budget for fiscal 1987 to begin the Bikini cleanup. Forty years have passed since the U.S. government moved the Bikinians off their atoll. How many more years must these people wait for the return to their atoll? The $8 million needed to begin the cleanup should be added to the fiscal 1987 budget.

The other items for which we seek funding are spelled out, as I said earlier, in the Interior Committee's budget recommendations. Funding all the programs and services spelled out in our recommendations, we believe, would enable the United States to meet all of its commitments to the Micronesians and set the proper tone for the beginning of the new political relationship between the United States and the Micronesian governments, and I urge that this be done.

International Programs

The Subcommittee disagrees with the Administration proposal to eliminate 4 valuable conservation efforts from the International Park Affairs Program of the National Park Service. The Subcommittee recommends that the 1987 budget include: 1) a modest $150,000 to maintain U.S. membership and participation in the U.S. Committee of the International Council on Monuments and Sites (US/ICOMOS); 2) a very modest $150,000 for the U.S. contribution to the International Union for the Conservation of Nature and Natural Resources (IUCN-US) plus $6,00 for the nations dues to IUCN; 3) $300,000 for continuation of the globally important technical assistance offered by the U.S. under the Western Hemisphere Convention; and 4) $32,000 for the Park Services' commitment to the Man And the Biosphere Secretariat for the cost of specific programs.

I would like to personally urge you to maintain these relatively small budget items, for they represent an increasingly important commitment by the U.S. to fulfill our responsibilities under international treaties and agreements for the conservation of global resources.

Nuclear Regulatory Commission--Earthquake Research

Mr. Chairman, in January of this year an earthquake of 5.0 on the Richter scale struck Northeast Ohio. The epicenter of the quake occurred between 10-15 miles from the soon to be operational Perry nuclear power plant located just outside of Cleveland. The probabilities were very low that an earthquake of this magnitude would occur at the Perry plant, yet it happened. On April 8, 1986, Congressman Udall's Subcommittee on Energy and Environment held hearings on the effect of the earthquake on the Perry plant. The Subcommittee also explored the adequacy of the NRC's earthquake regulations, and the state of knowledge about the likelihood that other quakes of equal and greater force could strike nuclear power plants in the eastern U.S. While the U.S. Geological Survey funds most of the seismic monitoring and research activities in the western U.S., the NRC funds the vast majority of these activities in the eastern U.S. The NRC has been understandably concerned in the past about the siting of nuclear power plants and the safety of existing plants that could be hit by earthquakes. However, apparently, the NRC plans to end its funding of these seismic monitoring and research programs. Given our poor understanding of the causes, locations, and probabilities of the occurrence of earthquakes in the eastern U.S., I would urge the Committee to instruct the NRC to maintain funding for these programs at their current levels. I have attached a copy of a letter to Congressman Edward Markey from Dr. Lynn Sykes of the Lamont-Doherty Geological Observatory at Columbia University which explains in greater detail the need for this funding.

FY 87 CVNRA DEVELOPMENT NEEDS

Everett Village Structures	$200,000
Locktenders House interior restoration	280,000
Greenwood Carriage Trail completion	215,000
Snowville Trailhead construction	40,000
Towpath Trail, Ira to Everett Roads construction	500,000
Kendall Loop --Trail design & planning River Cooridor	100,000
Station Road Bridge--restoration plans	40,000
Erosion Control	300,000
	$1,675,000

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21 March 1986

Hon. Edward J. Markey
Chairman
Subcommittee on Energy Conservation
and Power
House of Representatives
2133 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Markey,

I am writing to you about a crisis that has arisen over the funding of earthquake studies for commercial nuclear power reactors in the eastern and central United States. For the last decade the U.S. Nuclear Regulatory Commission has funded a program of earthquake monitoring and seismological research related to the siting of nuclear power plants and to the evaluation of the earthquake safety of existing nuclear power plants. During that time NRC has funded a number of important and relevant earthquake studies through universities, consulting companies and other federal agencies such as the U.S. Geological Survey. It is my understanding that NRC plans to stop all financial support in those areas in 1987.

Officials of the Nuclear Regulatory Commission argue that such a policy is dictated by the low number of new reactors that are proposed for licensing, by the notion that other federal agencies will provide funds for basic studies of earthquakes and by the assumption that various electrical utilities will provide seismological monitoring near their nuclear facilities. As I argue below, I do not think the public interest and public safety are well served by the proposed new policy.

It is well to bear in mind that most of the commercial nuclear facilities in the United States are located in the eastern and central part of the country. Many were licensed during an era in which it was assumed that the earthquake risk in those areas was very low compared to that in more active states like California and Nevada. As a consequence, I believe the design earthquakes used in licensing of most of those reactors were relatively small. For many of the early reactors very little geological and seismological study was utilized (or required) in their design. The sizes of the design earthquakes as mandated by NRC or as suggested by their Advisory Committee on Reactor Safety have risen markedly over the past 25 years. Those concerns were reflected in the much increased program of seismic monitoring and related earthquake research that has been funded by NRC over the last ten years.

Extensive litigation before the NRC and its appeal boards has taken place for the Seabrook, New Hampshire, Indian Point, New York, and Diablo Canyon, California reactors. If the earthquake program of the last ten years had been instituted at the time of some of the early siting decisions, I believe we would have seen a number of reactors built to withstand larger earthquakes and litigation and controversy over these matters would have been much reduced.

I am enclosing an important document of 1979 by Michael C. Farrar, a lawyer who was chairman of the Atomic Safety and Licensing Appeal Board of the U.S. Regulatory Commisssion that considered the earthquake safety of the Indian Point nuclear reactors and who was a member of a similar panel for earthquake considerations for the Seabrook facility. Each of those regulatory appeals was a split one with two of the three members of the appeal board ruling in favor of the respective utilities. On both occasions a dissenting vote was cast by Mr. Farrar; his written opinion is the one I have enclosed. His basic point is that while he does not disagree with some of the "base line facts" concerning geologic structure and analysis, he disagrees primarily over how to apply safety standards in the face of the vast uncertainties in scientific knowledge and understanding of earthquakes in the eastern and central United States.

Our poor understanding of the causes, locations and probability of occurrence of eastern earthquakes that Mr. Farrar focussed upon is accepted almost unanimously in the seismological and geological communities that have worked on those problems. NRC's Advisory Committee on Reactor Safety has held hearings on these issues and submitted opinions as well. The work that has been funded during the last decade by NRC has been aimed at a better understanding of earthquakes in the central and eastern United States and in making probabilistic estimates of the chance of earthquake shaking exceeding certain levels at specific sites.

What might we expect to happen if the existing program of monitoring and research is shut down? I expect that several utilities will continue to operate networks of seismic instruments close to their facilities and that some, limited support will be available from consortia of utilities for somewhat broader monitoring and study. Nevertheless, the effect on about 20 universities and a comparable number of consulting companies will be devastating. Seismologists at Boston College, Virginia Polytechnic Insitute, St. Louis University, the University of South Carolina, the Tennessee Earthquake Information Service and many others receive the bulk of their funding not only for seismic monitoring but especially for research on earthquakes in the central and eastern United States from NRC. I expect that several of those centers won't survive the proposed cut.

My own institution, the Lamont-Doherty Geological Observatory of Columbia University receives most of its support for studies of eastern earthquakes and for running a 35-station monitoring network in the states of New York, New Jersey and Vermont from NRC. While we are fortunate in having programs in other areas of earthquake studies, our specific programs for investigations of eastern earthquakes and for operating the seismic monitoring network in those three states would probably be reduced to a small fraction of its present size.

Some have argued that basic studies of earthquakes in the eastern and central United States and seismic monitoring in those areas should be the responsibility of the U.S. Geological Survey. Funding for earthquake prediction, evaluation of earthquake hazards, and engineering aspects of earthquakes through the U.S. Geological Survey under the Earthquake Hazards Reduction Act has declined since its initiation about 10 years ago. That program, which in my mind has been quite successful given the level of funding, is slated for a 10% cut in FY1986. The passage of that Act by Congress was in recognition that a number of our states have a serious earthquake problem. USGS's monitoring programs have included about a dozen states. Nevertheless, in the last several years the reduced USGS budget has resulted in a greater concentration on several areas in California and a much reduced level of funding for earthquake prediction and earthquake hazards in other states.

For the past two years I have chaired the National Earthquake Prediction Evaluation Council, which reports to the Director of the U.S. Geological Survey. During that time the U.S. Geological Survey has made its first official prediction of an earthquake, one for Parkfield, California about 1988. An extensive monitoring program is now installed in that area. Over the past five meetings the Prediction Council has identified seven other segments of major faults in California and Alaska that will require much more extensive monitoring and study than is now devoted to them if we are to have the knowledge necessary to undertake the types of earthquake prediction work that are now being made at Parkfield. Given the budget cuts and the pressures on the USGS to be successful on declared prediction experiments such as Parkfield, we can expect the available resouces to be concentrated in these areas with little left over for other areas of concern, and particularly for where earthquake hazard is poorly understood, such as the eastern U.S.

During the past several years four important eastern U.S. earthquakes have occurred and an additional larger shock took place in New Brunswick. These four earthquakes are of a size that is similar to that of the design earthquakes for many of the commercial nuclear power reactors in the eastern and central parts of the country. Those earthquakes occurred in New Hampshire, northern New York, Ohio and Kentucky and received extensive study through financial support from NRC. The recent large earthquake in Ohio is very instructive here. It occurred about 15 miles from the Perry reactor sited 30 miles northeast of Cleveland. My understanding is that the reactor had been licensed but was not operating at the time of the earthquake. I have not been able to get a written account about the amount of damage caused to the plant, whether the level of shaking exceeded that of one of the two design earthquakes specified in the license or if the strong motion seismological recordings at the site, which are mandated by NRC, will be considered public documents. Our group and others obtained important observations about the precise location of that earthquake sequence, its rupture process and its mechanism using portable stations that were operated nearby for several weeks after the main earthquake. Again, many of those investigations would not have been possible without funding from NRC. NRC did not require the utility to operate a seismic monitoring network around the facility and one was not in operation.

Another most important development has been emerging from the recent Ohio earthquake of January 31, 1986. It is now known that a deep injection well has been operated for about 15 years about six miles from the reactor for the disposal of liquid waste. Large volumes of waste were injected during that period. The injection well is in the same direction from the epicenter of the earthquake as is the fault that has been inferred from nearby recordings of small earthquakes and from previous earthquakes in the area. Obviously, a great deal of work needs to be done to establish if a causal connection exists between the pumping and the earthquake. We do know of several cases in which the operation of injection wells has led to the triggering of earthquakes, including the famous series of shocks near Denver in the 1960's that were triggered by fluid injection at the Rocky Mountain Arsenal just to the north of the Denver Airport.

The Ohio earthquake also underscores another worrisome aspect of earthquakes in the eastern U.S. This event occurred outside of commonly recognized earthquake zones, in an area where damaging earthquakes were deemed fairly unlikely, as demonstrated by the lack of earthquake monitoring in conjunction with the Perry plant. The Ohio event is small compared to some other historic eastern and central U.S. earthquakes, such as the one in 1886 near Charleston, S.C., and the ones in 1811-12 near New Madrid, Mo. Earthquakes similar to these large historic events can be expected to occur again. One of the most important current debates in the scientific community concerning earthquake hazard in the East is whether these large earthquakes can occur in areas other than where they occurred historically. The Ohio event suggests that surprises regarding the location of large earthquakes are more likely than not. A future 1886- or 1811-like earthquake can be expected to cause a high level of destruction over a large area — a major disaster, particularly if located near a metropolitan area. Clearly, earthquake hazard in the eastern U.S. needs to be better constrainted by fundamental studies on the nature of earthquakes in that area.

I would hope that NRC can be urged to change its position on earthquake hazard research and seismic monitoring in the eastern U.S. Perhaps the NRC's Advisory Committee on Reactor Safety or the U.S. National Academy of Sciences could be asked for an opinion on this matter. We are not talking about a cutback of say 10% but one in which an important activity of great relevance to public safety would be completely eliminated.

Sincerely yours,

Lynn R. Sykes

Lynn R. Sykes
Higgins Professor of Geological Sciences

LRS/llm
Encls.

THURSDAY, APRIL 17, 1986.

BUREAU OF MINES, OFFICE OF SURFACE MINING

WITNESS

HON. NICK JOE RAHALL II, WEST VIRGINIA

Mr. YATES. Mr. Rahall.

Your statement may go into the record.

Mr. RAHALL. Thank you.

I would like to highlight the main points of my testimony.

The Interior Committee's recommendations is an increase of $21.7 million over the budget request. This is comprised of $9.6 million for health and safety technology, $4.5 million for mining technology, and $7.6 million for mineral institutes.

Under health and safety, we have given primary importance to the funding for the Center for Respirable Dust at Pennsylvania State University, and West Virginia University, as well as increased funding for mountain bumps in underground coal mines, the development of a new generation of self-contained, self-rescuer units.

I have had the chance to be in coal mines with the coal miners and operators examining the current conditions under which they operate, and there is a need for development of that self-contained unit.

For mining technology, we are seeking an increased funding to complete the proof-of-concept validations on prototype mining devices and research funds for acid mine drainage and subsidence, as well as continued efforts to develop in-situ copper mining technology in the State of Arizona.

The recommended amount for the mineral institutes is the same as that under the fiscal year 1986 adjusted appropriations.

We also propose to transfer the Office of Surface Mining's AML research program and related budget authority to the Bureau of Mines. We believe this can more effectively and efficiently be conducted at the Bureau due to its resource orientation and the staffing they have already there.

With respect to the Bureau's budget, Mr. Chairman, I only add the Subcommittee on Mining and Natural Resources recognizes the drastic constraints under which we are operating in our Federal spending today.

We find the activities of the Bureau of Mines concerning the health and safety of our Nation's mining work force, increased efficiencies and productivity in coal and mineral extraction and mitigation of adverse environmental effects of mining should, and must, take priority over all the other Bureau programs.

Under Chairman Udall's leadership, the committee has also recommended a continuation of a viable abandoned mine reclamation state grant program, and in this regard, Mr. Chairman, I extend special thanks to you and your subcommittee members for your past support of this most important effort.

For fiscal year 1987, the administration had requested $150 million in state grants, and I urge that you appropriate this amount as well as the $9 million for the RAMP program.

A couple other items, Mr. Chairman. I do indicate in my prepared statement my strong support for the Land and Water Conservation Fund land acquisition as discussed by my colleagues on the committee.

We are placing a great deal of emphasis in West Virginia on the development of our natural resources, our coal, our oil, our natural gas, and our timber, and at the same time we are seeking to protect these resources with outstanding wildlife, scenic and recreational values.

To just give a couple examples, we have the New River Gorge National River in my state. There are additional monies needed for land acquisition that the Office for Land Acquisition only opened in March of 1985, and our main defense against development-related encroachment, primarily from commecial logging, is through a Federal fee and acquisition monies.

In this regard, I would urge that you appropriate $3.5 million in land acquisition monies for the New River.

Much of this land is in Congressman Staggers' district. He joins me in making this request.

In the fiscal year 1987 Land and Water Conservation Fund, this is a priority for our State of West Virginia, Mr. Chairman.

I would like to also bring to your attention my interest in securing approximately $8 million in Land and Water Conservation Fund monies for fiscal year 1987 so that the Forest Service could purchase 24,000 acres of land in the Shavers Fork area of the state that adjoins Monongahela National Forest.

This funding will allow the first-phase purchase of timber company holdings which currently face a development threat.

Included in this acreage is the site of a Civil War fort and home of the federally-listed endangered northern flying squirrel.

This proposal is supported by the Trust for Public Land, the Wilderness Society, and the timber company itself, and again, by Congressman Staggers, whose district a great deal of this is.

I would be pleased to provide additional information to you, Mr. Chairman, and I would ask that the subcommittee accept the trust for public lands report on the Shavers Fork, Monongahela National Forest.

Mr. Yates. We would be glad to receive that for our files. Thank you, Mr. Rahall.

I have the impression from talking to people, they think West Virginia is a state that is marked only by abandoned mines, and I want to tell you and tell them I think it is one of the most beautiful states in the union.

Mr. Rahall. It is, but let's not denigrate the abandoned mines.

Mr. Yates. Thank you, Mr. Rahall.

[The statement of Hon. Nick J. Rahall II, follows:]

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STATEMENT OF HONORABLE NICK J. RAHALL, II
before the
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
April 17, 1986

Mr. Chairman and Members of the Subcommittee on Interior. The Interior Committee's fiscal year budget recommendation for the Bureau of Mines is an increase of $21.7 million over the budget request. This increase is comprised of $9.6 million for Health and Safety Technology, $4.5 million for Mining Technology, and $7.6 million for the Mineral Institutes.

It should be noted, however, that this recommendation is an increase of only slightly more than $1 million over the fiscal year 1986 adjusted appropriation for the Bureau.

Under Health and Safety Technology, of priority importance in the amount suggested over the budget request is funding for the Generic Center for Respirable Dust at Pennsylvania State University and West Virginia University as well as increased research funding for mountain bumps in underground coal mines, the development of a new generation of self-contained-self-rescuer units, fire and explosion mitigation and robotic mining techniques.

For Mining Technology, we are seeking increased funding to complete proof-of-concept validations on prototype mining devices and research funds for acid mine drainage and subsidence, as well as continued efforts to develop in situ copper mining technology in Arizona. I would also emphasize our support for the continuation of a program to develop a smelting process for waste treatment and strategic metals recovery.

The recommended amount for Mineral Institutes is the same as that under the fiscal year 1986 adjusted appropriation. We believe the education of future mining personnel and the research conducted under this program is of great importance to the mineral security of the United States.

The Interior Committee has also proposed the transfer of the Office of Surface Mining's AML research program, and related budget authority, to the Bureau of Mines. We believe this research will be more effectively and efficiently conducted at the Bureau due to its research orientation. For fiscal year 1987, I ask that you consider appropriating $5 million for this program and I look forward to working with the Subcommittee to effect this transfer.

Mr. Chairman, with respect to the Bureau's budget, I would only add that the Subcommittee on Mining and Natural Resources recognizes the drastic constraints being imposed on federal spending. Under such circumstances, we find that activities of the Bureau of Mines concerning the health and safety of the Nation's mining workforce, increased efficiencies and productivity in coal and mineral extraction and the mitigation of adverse environmental effects of mining should, and must, take priority over all other Bureau programs.

Under the leadership of Chairman Udall, the Interior Committee has also recommended the continuation of a viable Abandoned Mine Reclamation State Grant program and I thank you, Chairman Yates and Subcommittee Members, for your past support for this most important effort. For fiscal year 1987, the Administration has requested $150 million in state grants, and I urge you to appropriate this amount as well as $9 million for the RAMP program.

I would also like to indicate my strong support for Land and Water Conservation Fund Land acquisition as discussed by my colleagues on the Committee.

In West Virginia there is much emphasis placed on the development of our natural resources -- coal, oil, natural gas and timber -- however, we also seek to protect those resources with outstanding wildlife, scenic and recreational values. We have, for example, five national wilderness areas in the State as well as the New River Gorge National River, a unit of the National Park System. This national river was established in 1978. Yet, as of this date, less than 10% of the acreage within the park boundary has been acquired. This poor record can, in part, be attributed to the fact that the park land acquisition office was only opened in March 1985.

As this land within the park boundary is predominantly privately held, our main defense against development-related encroachment, primarily from commercial logging, is through federal fee and easement acquisition.

For fiscal year 1987, I urge you to appropriate $3.5 million in land acquisition monies for the New River. Congressman Staggers, whose district also includes portions of the park, joins me in making this request. This amount of Land and Water Conservation Fund money will enable the Park Service to acquire approximately 10,000 acres, and with the approximately 20,000 acres that will have been acquired either by fee or easement by the end of the current fiscal year, place under federal ownership slightly less than one-half of the acreage in the park boundary.

Mr. Chairman, this is the FY 87 Land and Water Conservation Fund priority for West Virginia; however, I would also like to bring to your attention my interest in securing approximately $8 million in Land and Water Conservation Fund monies for fiscal year 1987 so the Forest Service could purchase about 24,000 acres of land in the Shavers Fork area of the State adjoining the Monongahela National Forest.

This funding will allow the first-phase purchase of timber company holdings which currently face a development threat. Included in this acreage is the site of a Civil War fort and a home of the federally-listed endangered northern flying squirrel. This proposal is supported by the Trust for Public Land, the Wilderness Society and the timber company itself.

Thank you, and I would be pleased to provide any additional information you require in support of this request.

HIGHLIGHTS OF REP. NICK J. RAHALL's TESTIMONY
FY 87 INTERIOR APPROPRIATION

U.S. BUREAU OF MINES

-- Recommended FY 87 appropriation: $128,805,000

This is an increase of $1,094,000 over the FY 86 adjusted appropriation and $21,705,000 over the FY 87 budget request.

Allocate amount recommended over the budget request as follows:

Health and Safety Technology -- +$9.6 million, including $1.2 million for the Generic Center for Respirable Dust at West Virginia University and Pennsylvania State University, and increases for research into mountain bumps, fire and explosion mitigation and robotic mining techniques

Mining Technology -- +$4.5 million, including $1.5 million for proof-of-concept validations and funding for solution mining under Advanced Mining Technology; and, an increase of $1 million for acid mine drainage work and an increase of $1 million for subsidence research under Resource Conservation Technology.

Mineral Institutes -- +$7.6 million

TRANSFER OF OSMRE's AML RESEARCH PROGRAM TO THE BUREAU OF MINES

Effect the transfer of OSMRE's Title IV AML research program to the Bureau of Mines along with an FY 87 appropriation for this activity of $5 million, an increase of $3 million over the budget request.

OFFICE OF SURFACE MINING ABANDONED MINE RECLAMATION FUND

-- Recommended FY 87 State Reclamation Program Grants: $150 million, pursuant to the budget request.

-- Recommended FY 87 RAMP: $9 million, an increase of $8.2 million over the budget request.

LAND AND WATER CONSERVATION FUND -- WEST VIRGINIA [In Order of Priority]

National Park Service Land Acquisition for the New River Gorge National River

-- Recommend addition of $3.5 million in land acquisition funds for the New River Gorge National River in West Virginia.

National Forest Service Land Acquisition for the Monongahela National Forest

-- Recommend addition of $8 million in land acquisition funds so the Forest Service may acquire acreage in the Shaver's Fork area of West Virginia.

FISCAL YEAR 1987 BUDGET RECOMMENDATIONS SUBCOMMITTEE ON MINING AND NATURAL RESOURCES

The Subcommittee on Mining and Natural Resources conducted an oversight hearing on February 20, 1986, on the fiscal year 1987 budget requests and justifications of the Bureau of Mines, the U.S. Geological Survey and the Minerals Management Service. The Subcommittee's comments and recommendations for each agency are stated below.

Bureau of Mines

The mission of the Bureau of Mines is to help ensure the Nation has an adequate and dependable supply of minerals for economic, security and other needs. Research is conducted to provide the technology for the extraction, processing, use and recycling of the Nation's mineral resources at acceptable social, environmental and economic costs. The Bureau also collects, analyzes and publishes statistical and economic information on mineral resources.

The fiscal year 1987 budget request for the Bureau of Mines is $107,100,000 (Mines and Minerals) which represents a 16% decrease amounting to $20,611,000 from the fiscal year 1986 adjusted appropriation of $127,711,000.

The major budget activities of the Bureau of Mines are Minerals Research, Minerals Information and Analysis, and the Mineral Institutes. For fiscal year 1987, the Bureau proposes a 19% reduction in the Mineral Research activity and a 4% reduction in the Minerals Information and Analysis activity from the fiscal year 1986 adjusted appropriation levels and a zero budget for Mineral Institutes.

The Subcommittee recognizes the drastic constraints being imposed on federal spending. Under such circumstances, the Subcommittee finds that activities of the Bureau of Mines concerning the health and safety of the Nation's mining workforce, increased efficiencies and productivity in coal and mineral extraction and the mitigation of adverse environmental effects of mining should, and must, take priority over all other Bureau programs.

In this respect, the Subcommittee recommends conservative increases from the fiscal year 1987 budget request only in the areas of Health and Safety Technology, Mining Technology and Mineral Institutes. A full justification of these recommended increases follows in the discussion of these budget activities. The Subcommittee believes increases in these areas should be effected even at the expense, if necessary, of other Bureau programs for which the Subcommittee recommendation is the same level as that in the budget request.

The Subcommittee recommends that a total of $128,805,000 (Mines and Minerals) be budgeted for the Bureau of Mines for fiscal year 1987. This is an increase of $1,094,000 over the fiscal year 1986 adjusted appropriation and an increase of $21,705,000 over the fiscal year 1987 budget request.

The following areas are of specific concern and are those where the Subcommittee recommends increased budget authority:

(1) Within the Minerals Research activity, the budget request for the Health and Safety Technology subactivity is $26.121 million for fiscal year 1987, a decrease of $6.051 million from the fiscal year 1986 adjusted appropriation of $32.172 million. Funded under this subactivity are the Health Engineering Technology and Safety Hazard Reduction programs.

The basic health and safety research undertaken in this subactivity contributes technology to improve the working conditions of miners and to eliminate the hazards associated with the dangerous occupation of mining coal and other minerals. The Subcommittee is concerned with how the proposed 19 percent reduction in the Bureau's Health and Safety Technology subactivity will affect the Nation's mining workforce. In 1985, the leading cause of coal miner deaths were roof and wall falls in underground mines with the next largest category of fatalities involving the haulage of persons or materials. Meanwhile, over one-half million miners suffer from the crippling effects of black lung disease. Since 1970, outlays for black lung benefits have exceeded $17 billion. Clearly, federal efforts to mitigate these situations are appropriate and should be accelerated.

The Bureau has consolidated a number of Safety Hazard Reduction program elements into a new Mine Disaster Prevention element which should lead to a more effective research effort to minimize the impact of mine disasters.

Perhaps the greatest challenge facing the Bureau in this area is the successful design of a smaller, lighter weight, self-contained-self-rescuer unit that is belt wearable to replace the existing heavy and bulky units which cannot be carried on the miner. In this respect, the Bureau should impress upon NIOSH the constraints governing the development of this technology so that realistic standards may be applied.

In the area of ground control, the Subcommittee strongly recommends continued efforts to alleviate rock bursts and coal bump potential in underground mining.

During fiscal years 1985 and 1986, the Generic Center for Respirable Dust has been funded through grants from Health and Safety Technology appropriated monies. The Subcommittee includes this program under this subactivity.

The Subcommittee recommends that $35.714 million be budgeted for the Health and Safety Technology subactivity in fiscal year 1987. This is an increase of $3.543 million over the fiscal year 1986 adjusted appropriation and an increase of $9.593 million over the fiscal year 1987 budget request. Following is a justification for the increase over the budget request:

Justification for Health and Safety Technology increase of $9.593 million over budget request.

Activities where increased funds would be utilized:

Mountain Bumps and Tomography, +$1,750,000.—Continue in-mine evaluation of geological conditions at the Olga Mine in order to predict and avoid bumps in addition to validating fiscal year 1986 laboratory work to develop a computerized detection system.

Fires and Explosions, +$2,000,000.—Conduct large-scale and in-mine trials of prototype detection/suppression systems initiated in fiscal year 1986 with emphasis on early warning detectors and fire suppression systems.

Robotics, +$1,500,000.—Accelerate work initiated in fiscal year 1986 to reduce the exposure of miners to potentially high health and safety risks through the use of robotic techniques.

Post-Disaster, +$1,250,000.—Continue to evaluate and identify deficiencies in self-contained-self-rescuers that have been in use and produce a prototype SCSR that is lighter and smaller so that it is belt wearable.

Health Effects of Diesels, +$41,000,000.—Evaluate the effectiveness of emission control devices for diesels used underground and investigate potential health related problems of new control devices.

Respirable Dust, +$2,093,000.—Continue grant program at the Generic Center for Respirable Dust at West Virginia University and Pennsylvania State University (affiliates are the University of Minnesota and Massachusetts Institute of Technology). The primary goal of this generic center is to reduce the incidence and severity of respirable dust disease through advancement of the fundamental understanding of all aspects of respirable dust associated with mining and milling and the interaction of dust and lungs. The major benefit from the successful completion of this research effort will be a reduction in the incidence and severity of black lung disease.

(2) Within the Minerals Research activity, the budget request for the Mining Technology subactivity is $9.744 million for fiscal year 1987, a decrease of $2.841 million from the fiscal year 1986 adjusted appropriation of $12.587 million.

The two programs under this subactivity are Advanced Mining Technology and Resource Conservation Technology. The Bureau proposes $8.189 million for the Advanced Mining Technology program and $1.555 million for the Resource Conservation Technology program.

Under the Advanced Mining Technologoy program, the Coal Mining Technology element has an important goal efforts to increase the competitiveness of the U.S. coal industry through the development of technologies which aid in productivity.

The Bureau has stated this research program focuses on mining technologies for coal seams that are difficult to mine such as multiple seams in the East and thick seams in the West. The Subcommittee is well aware of the problems associated with mining multiple seams and the loss of recoverable coal resources due to the lack of cost-effective mining technology for these situations. However, the Subcommittee believes that any Bureau effort relating to thick seams is unnecessary at this time.

Last year, the Subcommittee found that approximately 10 mining technology projects transferred several years ago from DOE to the Bureau with an embedded federal cost of over $24 million were on hold at the Bureau due to the lack of funding to complete prototype evaluations. The Subcommittee estimated that only $2.5 million would be required to complete surface and underground testing and evaluations. For fiscal year 1986, the Bureau received approximately $1 million for proof-of-concept validations. With this amount, testing and evaluations will not be completed for all of the projects, and the Subcommittee believes additional budget authority is necessary for proof-of-concept validations so that a full return on the federal investment made to date is realized.

With respect to the Resource Conservation Technology program, the Subcommittee believes that efforts to mitigate the adverse affects of acid mine drainage on surface and groundwater quality and in addressing the problems associated with subsidence should be accelerated.

Acid mine drainage largely from abandoned underground coal mines continues to threaten the integrity of over 5,000 miles of streams and rivers in the Appalachian Region and elsewhere. With respect to drainage from active mine sites, compliance with EPA's national effluent guidelines for pH, manganese and iron especially can often be difficult and extremely costly for the coal mine operator. Technologies to deal with these situations are largely still in the proof-of-concept stage of development although potentially viable commercially acceptable technologies include the Bureau's In-Line Aeration and Treatment System and the use of sphagnum moss bogs. Acid mine drainage prevention technologies, however, are still in their infancy. Overall, the development of long-term and cost-effective approaches to mitigate acid mine drainage continues to be elusive especially for use at abandoned coal mine sites.

Land subsidence caused by abandoned underground coal mines and the increased implementation of long-wall mining systems may affect over 8 million acres, an area one-half the size of West Virginia, largely in the Appalachian Region.

The Subcommittee recommends that $14.244 million be budgeted for the Mining Technology subactivity for fiscal year 1987. This is an increase of $1,659,000 over the fiscal year 1986 adjusted appropriation and an increase of $4.5 million over the fiscal year 1987 budget request for this subactivity. Of the recommended increase over the budget request, $2.5 million is for the Advanced Mining Technology program and $2.0 million for the Resource Conservation Technology program. Following is a justification for the increase over the budget request:

Justification for Mining Technology increase of $4.5 million over budget request.

Activities where increased funds would be utilized:

Proof-of-Concept Validations, +$1,500,000.—Continue evaluation of previously developed prototype mining equipment, such as the umbrella miner for which the government has already expended a considerable amount of funds.

Acid Mine Drainage, +$1,000,000.—Continue work on the adaptation of the In-Line Aeration System to more difficult water conditions and enhance work on the control of acid mine drainage dischages from abandomed mines.

Subsidence, +$1,000,000.—Extend the predictive model for longwall panels to include southern West Virginia and evaluate subsidence prediction and control for abandoned mines.

Solution Mining, +$1,000,000.—Continue work on proving feasibility of in situ copper mining technology through field demonstration in Arizona.

The Subcommittee concurs with the Subcommittee on Energy and the Environment's proposal to transfer reclamation research activities from the Office of Surface Mining to the Bureau of Mines, which has a greater research orientation and more technical expertise in this area due to its established Resource Conservation Technology program. This program deals with many of the same research issues addressed by the Office of Surface Mining's Abandoned Mine Land Research and Development program. In fact, the Subcommittee notes that 28.7% of the funds approved for fiscal year 1986 AML research proposals are for Bureau of Mines projects.

Prior to the 1982 departmental reorganization, the Bureau of Mines was heavily involved in abandoned coal mine land reclamation research and demonstration projects as well. It should also be noted that in the Department of the Interior appropriation for fiscal year 1982, the Mineral Institutes program was transferred from the Office of Surface Mining to the Bureau of Mines because it was the more appropriate research entity.

The Subcommittee finds that the proposed transfer of Office of Surface Mining reclamation research activities to the Bureau of Mines will compliment the Bureau's current Resource Conservation Technology program, reduce duplicative research activities and create a more efficient and cost-effective mining research effort.

(3) The budget request for the Mineral Institutes activity is zero for fiscal year 1987, a decrease of $7.612 million from the fiscal year 1986 adjusted appropriation.

At present, there are 31 Mineral Institutes located at universities throughout the Nation to which allotment grants are made to support basic research and education in the mineral sciences and engineering fields. In addition, there are five generic mineral technology centers which receive grants to support research in areas of broad applicability to the mineral sector of the economy.

As justification for its request for no funding for this program, the Bureau states that "federal funding for allotment grants does not now have the priority that it had a decade ago" and "because the generic research centers should be supported by industry."

The Subcommittee finds no merit to these contentions and notes they are only slightly less ridiculous than arguments made by the Bureau against the program in the past. The Bureau of Mines has consistently been unable to support reasons for terminating federal support for Mineral Institutes and the generic centers. It should be noted that in 1984, the President signed into law legislation to establish the State Mining and Mineral Resources Research Institute program, P.L. 98-409, which authorized the continuation of federal support for Mineral Institutes and the generic centers for a period of five more fiscal years, and that Congress has consistently appropriated funds for the program.

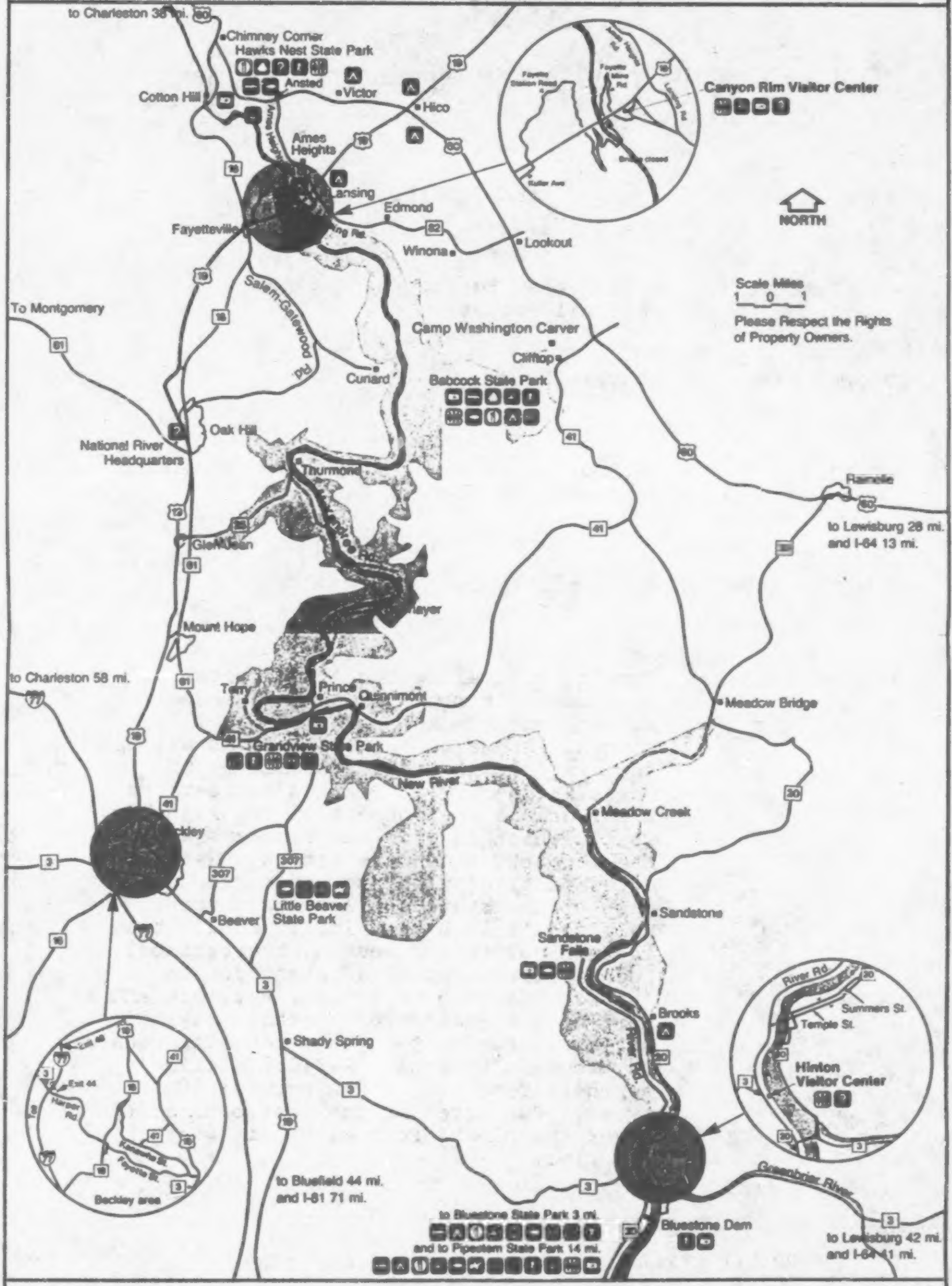
The Subcommittee recommends that $7.612 million be budgeted for the Mineral Institutes program for fiscal year 1987. Of this amount, $4.425 million is recommended for allotment grants, $2.854 million is recommended for research grants and $333,000 is recommended for administration. This is the same level of budget authority as provided by the fiscal year 1986 adjusted appropriation.

While not recommending an increase from the proposed budget, the Subcommittee notes its concern in the following areas:

(4) Within the Minerals Information and Analysis activity, the budget request for the Land Assessments program is $5.757 million for fiscal year 1987, a 20% decrease amounting to $1.442 million from fiscal year 1986 adjusted appropriation of $7.199 million. The land assessment program is in direct response to more than 30 statutes that require mineral surveys on certain federal lands and is used in arriving at final decisions on public land use. Also, several statutes require recurring mineral surveys of wilderness areas. The Subcommittee is concerned that the proposed decrease will delay assessment information of immediate need and will affect the quality of land use planning.

(5) The Subcommittee commends the Bureau on the work it is conducting in the Federal Land Status program, but is concerned with the proposed "recessing" of studies in certain critical states. It is important that these studies, which inventory federal lands restrictions to mineral exploration and development and evaluate their cumulative impact on future availability of minerals, should be completed promptly so the information can be integrated into land management decisionmaking.

NEW RIVER GORGE NATIONAL RIVER


to Charleston 38 mi.
Chimney Corner
Hawks Nest State Park
Ansted
Victor
Hico
Cotton Hill
Ames Heights
Lansing
Edmond
Fayetteville
Winona
Lookout
Canyon Rim Visitor Center
NORTH
Scale Miles
1 0 1
Please Respect the Rights of Property Owners.
To Montgomery
Salem-Gatewood Rd.
Camp Washington Carver
Clifftop
Cunard
Babcock State Park
Oak Hill
National River Headquarters
Thurmond
Rainelle
to Lewisburg 28 mi. and I-64 13 mi.
Glen Jean
Mount Hope
to Charleston 58 mi.
Terry
Prince
Quinnimont
Meadow Bridge
Grandview State Park
New River
Meadow Creek
Beckley
Beaver
Little Beaver State Park
Sandstone
Sandstone Falls
Shady Spring
Brooks
River Rd
Hinton Visitor Center
Summers St.
Temple St.
Beckley area
to Bluefield 44 mi. and I-81 71 mi.
Greenbrier River
to Bluestone State Park 3 mi.
and to Pipestem State Park 14 mi.
Bluestone Dam
to Lewisburg 42 mi. and I-64 41 mi.
Interstate Route
U.S. Route Number
W.Va. Route Number
Stone or Gravel Road
National River Area
Amphitheater
Fishing
Swimming
Hiking Trail
Tramway
Playground
Marina
Horse Trails
Campground
Viewing Area
Sailboating
Restrooms
Picnic Area
Lodging
Food Service
Information

For specific information on the New River Gorge National River,

contact: Superintendent
New River Gorge National River
P.O. Drawer V
Oak Hill, West Virginia 25901
(304) 465-0508

THE WILDERNESS SOCIETY

FACT SHEET

PUBLIC AGENCY: U.S. Forest Service/Monongahela National Forest

PROJECT NAME: Shavers Fork

PROPERTY: 40,000- acres comprising the headwater lands of the Shavers Fork.

PRICE TO AGENCY: $12.8 million.

SIGNIFICANCE: Funding will allow the first-phase purchase of timber company holdings stretching from the Back Allegheny Mountain ridge to Shavers Fork as well as the historic and habitat lands of the Cheat Bridge area. Planned recreational uses include realignment of the Allegheny Trail, which now follows roadways along the property's 16-mile length. With miles of river frontage and surrounding most of the state-operated Cass Scenic Railroad, this high-priority acquisition is critical to the scenic, recreational, and habitat value of adjacent public lands. The site of a Civil War fort and a home of the endangered northern flying squirrel, the property now faces increased development threats. A $12.8 million appropriation will allow acquisition of over 23,000 acres on the east bank of the river and of the Fort site just west of the river.

1400 EYE STREET, N.W. WASHINGTON, D.C. 20005
(202) 842-3400

THURSDAY, APRIL 17, 1986.

FOREST SERVICE

WITNESS

HON. JAMES WEAVER, OREGON

Mr. **YATES**. Mo, glad to have you. Glad to have the distinguished chairman of the subcommittee.

Mr. **UDALL**. I am sorry to hold you up. I was a victim of terrorism on the freeway this morning.

Mr. **YATES**. Of course. I was, too. Traffic was horrendous this morning.

Mr. **UDALL**. Due to poor staff work and horrendous traffic, I didn't get my remarks until a few moments ago.

Mr. **YATES**. Mr. Seiberling has read your statement. Your statement may be made part of the record. Give us some of the highlights.

Mr. **UDALL**. I am anxious to see what they are.

Mr. **YATES**. Suppose we have Mr. Weaver first while you are looking at your highlights.

Mr. **UDALL**. Go ahead.

Mr. **WEAVER**. Mr. Chairman, I first want to associate myself with the remarks of Mr. Seiberling as to Forest Service priorities. I agree with all of them, and, of course, I have a detailed statement which I will submit.

Mr. **YATES**. That may go into the record at this point.

Mr. **WEAVER**. The main point I want to make, Mr. Chairman, is that the Forest Service management has increasingly become single user, and I plead for a multiple use budget.

They submit—the President submits you an increasingly single use budget——

Mr. **YATES**. A forest-cutting budget.

Mr. **WEAVER**. Commodity-oriented budget, Mr. Chairman.

And I just thought you might like to know a little bit of history.

Arthur Carhart was the Forest Service Recreation Engineer in 1923 when he resigned with this statement: "The Forest Service is making a mistake trying to approach everything from a board foot angle. There will never be sound recreational plans in the National Forests until they are approached strictly from the side of what service they may be to human service rather than how they are going to interfere with cows and conifers."

That was in 1923, Mr. Chairman.

Mr. Chairman, one of the places to start reversing this single use is in restoring the funding for restoration and timber stand improvement, essentially which have been cut down to the 70 percent and 80 percent basis.

By all means, take that out of the road budget and other commodity budgets. It is not necessary, paticularly, Mr. Chairman, if you address the problem of deficit sales.

Mr. **YATES**. I will tell Senator McClure that.

Mr. **WEAVER**. Thanks.

This is the House of Representatives. At any rate, and you know the issue of deficit sales, I have some very cogent remarks here that——

Mr. YATES. We will read them with great interest.

Mr. WEAVER. I want you to, sir. I want to make a special point that my subcommittee has held two major hearings on air pollution, its effects in our forests.

Internationally reknown scientists from all over the world—there is a real serious concern our forests may be deteriorating now and we don't know it.

I mean serious. When they go, as the German forests have died, if ours start dying, I can't emphasize the calamity this would be.

Yet, the administration has cut out the few paltry funds in this budget for monitoring, particularly in the western forest, and I urge you to put back in the few million dollars for this monitoring in the National Atmospheric Deposition Program budget.

I have something here for payments to states. We oppose, of course, the administration's approach very strongly.

With that, Mr. Chairman——

Mr. YATES. You yield to Mr. Udall.

Mr. WEAVER. I yield to my colleague, but I do urge you to read these remarks.

Mr. YATES. We will.

Mr. WEAVER. They are very, very well written. I received mine somewhat before Mr. Udall, and I have read mine.

Mr. YATES. He has taken a fast reading course.

[The statement of Hon. Jim Weaver follows:]

STATEMENT OF CONGRESSMAN JIM WEAVER
BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
ON THE FISCAL YEAR 1987 BUDGET PROPOSALS

APRIL 17, 1986

Thank you Mr. Chairman for the opportunity to testify about the budget for the Department of Interior and the U.S. Forest Service. As Chairman of the House Interior Subcommittee on General Oversight, Northwest Power and Forest Management, I have reviewed the FY 1987 budget proposals for both agencies in great detail.

I would like to address several issues this morning, including the proposal to "interchange" 35 million acres of land between the Forest Service and Bureau of Land Management, "below cost" timber sales, the Forest Service atmospheric deposition research budget, and the proposal to change from gross to net receipts the formula for distributing a portion of federal timber and mineral revenues to state and local governments.

INTRODUCTION

The Administration's fiscal year 1987 budget request is $1,734,897,000, which represents a decrease of $316,651,000 (15%) from the Fiscal year 1986 appropriations.

As you know, the Forest Service is responsible for the management of 191 million acres of forest and rangelands in the United States, Puerto Rico and the Virgin Islands. In addition, it carries out a forest research program designed to improve the management of more than 1.6 billion acres nationwide, and a cooperative State and Private Forestry program that provides technical and financial assistance to improve the management of nonindustrial private forest lands.

We all are well aware of the need to reduce the federal budget deficit. Nonetheless, it is physically and financially impossible to manage adequately 191 million acres of land on a budget subjected to deep cuts without regard to their long-term effects. Nor do I believe, however, that it would be wise to sell any of our national forests. On the contrary, the national forests represent a long-term investment in the economic and ecologic health of our nation. They are the principal from which a substantial portion of our national interest is derived.

Mr. Chairman, I am extremely concerned, as I have been for the past several years, that the President's budget is skewed in favor of commodity production at the expense of resource protection. Although the continued absence of the 1985 Resource Planning Act Program makes relative comparison between budget items impossible, the trends established in past Presidential requests appear to continue in the FY '87 request.

Indeed, it can be argued that Forest Service priorities have not changed substantially since Arthur Carhart, the agency's recreation engineer, resigned in 1923 in a dispute over the subordinance of recreation to timber and grazing interests. In his resignation letter, Carhart wrote:

> The (Forest S)ervice is making a mistake trying to approach everything from a board foot angle....There will never be sound recreation plans in the National Forests until they are approached strictly from the side of what service they may be to human service rather than how they are going to interfere with cows and conifers.

FOREST SERVICE-BLM LAND INTERCHANGE

The proposed "interchange" of Forest Service and Bureau of Land Management lands, which also surfaced in the President's 1986 budget request, was submitted to the Congress on February 18, 1986.

Forest Service officials testified at our budget oversight hearing that the latest version of the interchange is scaled down from last year's proposal. It would involve the transfer of 15 million acres from the BLM to the Forest Service, and 10 million acres from the Forest Service to the BLM. The interchange is estimated to cost $14,400,000 to implement over a three-year period. Once fully implemented, Forest Service officials expect the interchange to save $8,400,000 annually.

The Interior Committee intends to review the interchange proposal. However, I do not believe that funds should be appropriated for implementation of the interchange until such time as legislation authorizing the program is enacted by Congress. This recommendation would result in a savings of $5,000,000 over the President's request.

NATIONAL FOREST SYSTEM

I am also concerned about proposed reductions in the National Forest System budget for such items as Trail Maintenance, Reforestation and Timber Stand Improvement, and Recreation Use.

As I mentioned earlier, I do not approve of the disproportionate allocation of scarce Forest Service funds to timber, range and mineral related activities in recent Presidential budget requests, particularly when those allocations are made at the expense of valuable non-commodity resources.

Fighting Forest Fires

In previous years, the President's budget has requested only $1,000,000 for fighting forest fires. Traditionally, the Forest Service borrows fire fighting funds as needed from other accounts, such as the Knutsen-Vandenberg Trust Fund, and then reimburses those accounts through a supplemental appropriation when actual fire fighting costs are know. In FY '86, $994,000 was appropriated to the Forest Service for fire fighting, but a series of major wildfires in mid-summer resulted in the expenditure of $166,700,000.

I am concerned that the Deficit Control Act will cause tremendous difficulty with this approach because the Act's deficit targets could prevent passage of a supplemental appropriation bill. If this were to occur, the accounts from which fire fighting funds were borrowed would not be reimbursed and important forest management activities, such as reforestation and timber stand improvement, would be preempted.

Therefore, the Interior Committee recommended that the Forest Service develop a funding mechanism which ensures that its fire fighting program is adequately funded without jeopardizing other accounts. I support that recommendation.

Trail Maintenance

The President's FY '87 budget proposed reducing the forest trail maintenance budget to $8,365,000, which is $1,603,000 below the FY '86 appropriation. This request would allow the Forest Service to maintain only 47,300 miles of the 99,500 mile trail system. Because these funds are used in part to organize a volunteer program that would maintain an additional 10,000 miles of Forest Service trails, it is one of the most cost-effective programs in the Forest Service budget.

For example, the FY '85 trail maintenance budget of $9,256,000 enabled the Forest Service to utilize an additional $13,000,000 in volunteer assistance. As a result, the Interior Committee recommended funding the trail maintenance program at the FY '86 level, as reduced by the Deficit Control Act, of $9,539,000. This represents an increase of $1,174,000 over the President's request. I endorse that recommendation.

Reforestation and Timber Stand Improvement

Funding for reforestation and timber stand improvement also has been shrinking in recent years. Fiscal Year 1987 is no exception as the total budget for these programs drops to $177,533,000, a decrease of $11,599,000 below the 1986 appropriation. While the proposed shift in emphasis from appropriated funds to Knutsen-Vandenberg (K-V) funds in accomplishing reforestation and TSI goals may be desirable, it also raises questions about the way in which a portion of the K-V funds are allocated to general administration activities at the agency. The Subcommittee on General Oversight, Northwest Power and Forest Management began an examination of this issue in 1985 and will continue to exercise its oversight responsibility in the future.

Perhaps most importantly, however, the President's budget proposes to accomplish only 84% of the agency's reforestation needs and 76% of its TSI needs. I am concerned that this failure of the Forest Service to fully restock its forest lands could result in timber shortages in the long run. As a result, the I believe that the Forest Service should take all practicable steps to ensure that the increasing reforestation backlog and current TSI needs do not jeopardize the future productivity of our national forests.

"Below Cost" Timber Sales

For the past several years your Subcommittee has investigated the economic and environmental implications of "below-cost" timber sales. Likewise, my Subcommittee and the Subcommittee on Public Lands, as well as the House Agriculture Committee, held extensive hearings on this issue in 1985. Although the Timber Sales Administration and Management item in the President's National Forest System budget was reduced by $10,453,000 to reflect a 1.375 billion board foot reduction in the fiscal year 1987 timber sales program, I am disturbed by the allocation of planned timber sale offerings among the various Forest Service regions.

The Forest Service may be becoming more cost-conscious at individual forest and ranger district levels, as reflected in decreased road costs per mile. Yet there is scant evidence in the budget that the Forest Service is giving any consideration to shifting resources among regions or forests in an effort to improve the receipts/costs ratio of its timber program as a whole.

In fact, the proposed allocation of timber sale goals among the various regions makes it clear that the Forest Service has placed little or no emphasis on shifting resources in the timber sale program from areas with low receipt/cost ratios to areas with higher ratios. This apparent lack of attention to receipt/cost ratios in allocating sales levels comes despite specific direction in the President's message to Congress and supporting documents from the Office of Management and budget to "limit the costs and future growth of the Forest Service" by "carefully controlling costs, adjusting management procedures and paying close attention to benefit-cost relationships."

On the contrary, the proposed timber sale program advocates a general shrinking of the timber program as a whole, rather than increasing economic efficiency or increasing the net revenues deposited in the Treasury.

In addition to their direct effect on the deficit, many of the timber sales that have low receipt/cost ratios also have a high ratio of environmental costs to economic benefits. These sales typically involve new roadbuilding into rugged, roadless, high altitude, environmentally sensitive lands that have low-density timber stands, with poor prospects for reforestation and high potential impacts on wildlife and fisheries.

While the primary objective of managing the national forests is not to make money, neither is it to harvest timber without regard to costs -- economic or environmental. Given the pressure to reduce the budgets of all federal agencies, it makes sense to allocate program reductions in a manner that will phase out timber sales that have low returns to the treasury and high costs both to the taxpayer and to the environment.

FOREST RESEARCH

One of the most important investments we can make to ensure the future productivity of our forests is to fund adequately the Forest Service Research budget. In particular, questions have been raised in recent years about the effects of air pollution and atmospheric deposition on our forests, the forest inventory cycle, and the structural integrity of juvenile wood.

Atmospheric Deposition Research

Mr. Chairman, your Subcommittee has shown tremendous leadership by increasing funding for atmospheric deposition research program over the past several years. As you know, I share your interest in this issue and have introduced legislation to expand the scope of federal research into the effects of air pollution and acidic deposition on forest resources.

Despite our efforts, some projects which have been deemed "low priority" are being cut and other admittedly "high priority" projects would be curtailed under the President's budget. I am especially concerned that the high elevation study in the Rocky Mountains be fully funded.

At a July 16, 1985 hearing of my Subcommittee on General Oversight, Northwest Power and Forest Management, the coordinator of the National Atmospheric Deposition Program testified that "in the Rocky Mountains we have an opportunity to prevent a serious deterioration of the environment if we are vigilant in establishing controls as well as designing long-term research and monitoring studies." I wholeheartedly support the continuation of this and other "high priority" research without further delay, and request that at least $500,000 be added to the Research budget to accomplish that goal.

Second, the President's budget proposed postponing the National Vegetation Survey, which determines the extent and location of forest damage due to atmospheric deposition, for the second year in a row. I am not convinced that we can afford to defer a program of this importance. Therefore, I recommend that $2,000,000 be added to the Research budget to ensure that the Vegetation Study is continued in FY 1987.

Third, the Eastern Hardwood Research Cooperative and the Western Conifer Cooperative both could use $2,000,000 to establish air pollution monitoring sites and to initiate much needed research projects in their respective regions. I strongly support making funds available to these Cooperatives.

Finally, the evidence presented to my Subcommittee during hearings on this issue over the past two years indicates that more than just acidic deposition may be contributing to forest decline here and abroad. Recent studies indicate that ozone, nitrates, heavy metals and other factors may be involved. I urge the Subcommittee to expand the research directive to the Forest Service to include not only acidic deposition, but air pollution and other factors as well.

Forest Inventory and Analysis Research

The forest inventory and analysis program is designed to provide comprehensive, continuing information, and analyses of the forest land resources of the United States. In recent years, however, the Forest Service lengthened its forest inventory cycle from 10 years to 14-16 years. Although increased appropriations allowed the program to be returned to a ten-year cycle in FY '86, the agency has once again proposed extending the period between inventories for FY '87. I cannot agree with efforts to lengthen the inventory cycle and recommend that the Forest Service maintain a ten-year cycle.

Forest Products and Harvesting Research

Some foresters, and many builders, are increasingly concerned that fast-grown trees yield poor quality lumber which has reduced wood strength and dimensional stability. Some of the research that has been conducted under the Competitive Grants Research Program, a program that has been targeted for elimination in the President's FY '87 budget request, focused on this problem.

I was a builder for 20 years before coming to Congressa and believe it is extremely important that this research be continued. Therefore, I recommend that $2,000,000 be added to the Forest Products and Harvesting Research budget.

PAYMENTS TO STATES

The President's budget again proposes changing from gross to net receipts the basis upon which payments to states are made for timber, grazing, power, mineral and other land use activities on the National Forests. If enacted, such legislation would result in a $224,816,000 (70%) reduction in payments to the States. I am adamantly opposed to this proposal because it would devastate local government budgets that are largely dependent on these payments for operating revenues. At the same time, it would eliminate any incentive for forest managers to improve economic efficiency.

Rather than alter the payment formula, I believe, as discussed above, that a better approach would be to reduce timber sales, road building, and other activities in areas that have high economic and environmental costs but generate few revenues to the Treasury.

CONCLUSION

Thank you again, Mr. Chairman and members of the Subcommittee. In summary, I recommend the following with regard to the FY 1987 Forest Service budget:

1. Do not appropriate the requested $5,000,000, or any other amount, for implementation of the BLM-Forest Service "interchange" until such time as legislation authorizing the program is enacted by Congress;

2. Encourage the Forest Service to allocate timber sales program reductions in a manner that will phase out timber sales that have low returns to the treasury and high costs both to the taxpayer and to the environment;

3. Appropriate at least $500,000 to continue the Rocky Mountain high-elevation research program;

4. Restore $2,000,000 to the National Vegetation Survey;

5. Appropriate $2,000,000 each for the Eastern Hardwood Research Cooperative and the Western Conifer Research Cooperative;

6. Expand the scope of the Forest Service research mandate to include not only acidic deposition, but air pollution, heavy metals and other factors as well;

7. Add $2,000,000 to the Forest Products and Harvesting Research budget to study the wood strength and dimensional stability problems that may be associated with juvenile wood; and

8. Take no action to implement the proposal to change from gross to net receipts the formula for sharing timber and mineral receipts with local governments until such time as legislation authorizing the change has been approved by Congress.

THURSDAY, APRIL 17, 1986.

DEPARTMENT OF THE INTERIOR PROGRAMS

WITNESS

HON. MORRIS K. UDALL, ARIZONA

Mr. YATES. Mr. Udall.

Mr. UDALL. When you get a glowing introduction—I can hardly wait to hear what I have to say.

Mr. YATES. Now I feel like the pancake that has the molasses on it.

Mr. UDALL. You are way ahead of me.

The Land and Water Conservation Fund has been a great concern to us——

Mr. YATES. Your statement may go into the record, incidentally.

Mr. UDALL. Right.

I have been outraged at the cuts in the funding, spending, all the time we have spent over the years defending the Fund.

I share with you in my remarks one interesting development. The White House set up a Committee on Outdoor Recreation as a successor to the Outdoor Recreation Resources Review Commission.

And the conservation groups, leading environmental groups were fearful this was an anticonservation commission, that there would be little sympathy for expanded wilderness and other kinds of park lands.

Actually, what is going to come out of this commission is strong support for land and water, beefing it up, maybe turning it toward a regular trust fund so we don't have to fight the fight to the extent we have.

So, let's keep doing battle for land and water, and help may be on the way.

Mr. YATES. You mean significant appropriations, as well.

Mr. UDALL. Yes. One of these areas, we are going to see that law enforced. They own fines and penalties. They really haven't had the manpower to enforce it. We are asking——

Mr. YATES. They just put five people on their staff? We made provisions in our budget for ten new inspectors for them to hire.

They haven't hired inspectors, but put four people on in their public affairs and in their congressional liason staff.

I asked the witness, specifically, "Are these political jobs?" He said, "Yes. We have taken the jobs out in our supplemental bill."

Mr. UDALL. There are a number of states, including West Virginia, who have done a good job.

Coal companies decided they were going to comply and put the coal back. We have done it. A couple of states have decided to defy the law. Somebody has to be prosecuted and these fines have to be collected.

Over 4,000 two-acre exemption claims have been made. We have the figure. I don't know if it is correct, but it is shocking to me: in Virginia 40 percent of all the coal was being mined under a two-acre exemption, a provision we put in there for those who wanted to cook Thanksgiving dinner and use coal in the backyard.

This is a consolidation by the Grace Company to set up the sham two-acre claims. We ask for your help on that.

Mr. YATES. What do you want us to do, eliminate them?

Mr. UDALL. Give them money.

Mr. YATES. Why don't we eliminate the two-acre exemption?

Mr. WEAVER. Good idea.

Mr. UDALL. I would do it in a minute, except if there is any change in the law and it goes to the Senate, it is going to open up loopholes right and left.

If I can ever get a situation where it is take it or leave it, I would repeal the two-acre exemption immediately.

Mr. YATES. Let us consider that possibility.

Mr. UDALL. Indian Affairs continues to trouble me. We have got problems with the BIA and with the Indian Health Service, and I commend you and the subcommittee for your continued interest and your help.

Mr. YATES. And devotion.

Mr. UDALL. And devotion. I have strong objection to the administration's attempt to terminate or reduce BIA Services to Alaska natives.

Congressman Young is really concerned about this, and so am I. In the statement, we document the need for restoration of funds.

A second matter of great concern is the department's effort to amend the Indian Self-Determination Act through the appropriations bill.

The amendment would authorize consolidation grants to tribes in several programs identified under the newly created set aside of $295 million.

My objection to this is based on the complete lack of information as to how this would be implemented and also that the tribes themselves have not had an opportunity to comment on this proposal prior to its implementation.

I would follow Mr. Young's lead on that, but I support what he is trying to do.

Insular Affiars. We have some matters that need attention: the Northern Marianas, Guam——

Mr. YATES. Mr. Seiberling has testified about that.

Mr. SEIBERLING. I was dealing with the micro-Asian trust affairs.

Mr. YATES. This is different. Okay.

I like what you are doing there, Mo.

Mr. UDALL. America Samoa's medical facilities are in poor condition. We worked together in the past with you to provide adequate medical facilities for the Northern Marianas and Guam. It is not feasible to meet Samoa's major health care needs next year.

However, it should be possible to provide essential equipment. Housing assistance is a second area of need, and we are working with Mr. Senero on that.

Guam. Gramm-Rudman contradicted a number of Federal commitments in the insular areas. This included the pledge to return to Guam all Federal taxes derived from the territory and the obligation to pay a portion of the cost of financing the Guam Power Authority's debt.

The sequestered amounts of income tax rebates and the utility's Federal subsidy should be made up. We should not jeopardize the fiscal stability of the territory and the Federal relationship with it.

Northern Marianas we mentioned.

Virgin Islands, Puerto Rico, covered briefly.

That is about the main points I wanted to make, Mr. Chairman.

Mr. YATES. We are delighted to have all your recommendations. We think they are good ones, and we will give them consideration.

[The statement of Hon. Morris K. Udall follows:]

REMARKS OF THE
HON. MORRIS K. UDALL
BEFORE THE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS
APRIL 17, 1986

Mr. Chairman, it is a pleasure to appear before your subcommittee once again to discuss some of our spending priorities for the coming fiscal year. As usual the list is long and the resources are short. I and my subcommittee chairmen do not envy your task in making the tough decisions when there are so many pressing needs that merit our attention.

As always the Land and Water Conservation Fund is of great concern to me. Mr. Chairman, you and your colleagues have been real heroes in helping us to defend the fund these past few dark years when attacks on both the appropriations and the purposes of the fund have been so steady. I will leave to Chairman Vento and Chairman Seiberling the job of a detailed discussion of our recommendations for the fund this year. However, I would like to share with you what I think is a very interesting phenomenon.

As you know, I am one of two House Members on the President's Commission on Americans Outdoors, the successor in many ways to the Outdoor Recreation Resources Review Commission. At first I was reluctant to serve on the commission because I thought it should have been legislated and because I was concerned that the membership did not represent very well a number of important interests in recreation policy, especially the mainline environmental organizations. Those that were appointed are all very eminent people in their fields with sincere interests and concerns for America's recreation future, but I don't think I would be offending either the members or the truth by observing that it would be hard to characterize the commission as a bunch of conservation radicals.

A very interesting thing is happening on this commission, however. After innumerable hearings and discussions from one end of the country to the other, this rather conservative creature of President Reagan is discovering how vitally important the Land and Water Conservation Fund is to the future of American recreation. They see quite clearly that unless this nation very seriously commits itself to protect and extend its body of open space and healthy land, air, water and natural resources that all other recreation policies are sadly diminished. Along with the pressing question of insurance and liability, the commission, I believe, will for the remainder of its existence concentrate on how best to fulfill the mission of the Land and Water Conservation Fund over the next 25 to 50 years. I think that one of the handful of major recommendations the commission will make to the President at the end of the year is for some kind of renewed and revamped fund with parallel state and even private funds. I think this is an exciting and surprising prospect and I urge the subcommittee to keep the home fires burning, as it were, because help may very well be on the way.

OFFICE OF SURFACE MINING

I am very troubled by the many problems of the Office of Surface Mining and its seeming inability to address the gross abuse of the Surface Mining Act. In the past two years my

Committee has spent an inordinate amount of time documenting what can only be characterized as an abdication of the agency's enforcement responsibilities. Over 4,000 two-acre exemption claims have been made, the overwhelming majority of them illegal shams. Yet OSM did little, if anything, to enforce against the abuse of this exemption until sued. Over 2,400 cessation orders, almost fifty percent of all orders ever issued, were ignored by coal operators, yet OSM did nothing to enforce its orders until sued. Over 6,000 mines have been left unreclaimed since we passed the Act, yet OSM has done little to compel reclamation.

I come before this Committee to ask for what I regard as the minimum resources necessary to deal with the spreading abuse. Irresponsible mining practices by a segment of the industry, passively acquiesced in by OSM, must cease, and cease now.

To make a dent in the abuse, my Committee has recommended an additional ten inspectors in Fiscal Year 1987 to address two-acre abuse. This would increase the number of two-acres personnel to 33, a minimum number to inspect and enforce at some 4,000 mines, most of which are abusive. We have requested 18 inspectors to establish an inspectable units program to address the 2,000 or so mines which have been left unreclaimed yet against which no one has taken enforcement action. Finally, we have asked for a troubleshooting task force of 20 inspectors to address several major problems, including unstable coal waste dams and valley fills. In many cases, those structures pose a serious problem of safety. These inspectors would also verify the match-ups produced by the applicant/violator system so that permits can be denied to irresponsible coal operators as required by the Act.

These additional resources will not solve the problem alone. I know that. However, I also know that if we withhold these minimal resources we have no chance to assure effective action by OSM.

I have proposed reallocating amounts in the OSM budget request to provide for these vital inspectors. Let me be clear on this--there is no higher priority in the OSM budget than inspectors to deal with the abuse. No other priority even comes close.

I wish to make one final point concerning OSM and the Fiscal Year 1987 Budget. As I indicated, OSM has abdicated its enforcement obligations in a de facto fashion. I am told now that it is considering formally eliminating its enforcement authority as a way of getting rid of its enforcement problems--through a rulemaking that would remove all federal NOV and cessation order authority. Such a course of action would be disastrous. There would be no effective way to address the two-acre abuse problem, improper state bond releases, and other state enforcement breakdowns unless OSM took back the state program, an unlikely occurrence. I will not allow this to occur while I sit as Chairman of the Interior Committee, and count on the support of yourself and your subcommittee, in helping me to stop such an irresponsible course of action by OSM.

INDIAN AFFAIRS

Mr. Chairman, I would like to briefly comment at this time on the more objectionable provisions contained within the President's Budget Request within both the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS). I would also like to commend you for your continued support of these vital programs which serve those Indian people who, in many instances, have no other alternative means of assistance. We both understand the importance of this country fulfilling its obligation (in part) to Indian people through the different programs contained in the BIA and IHS.

Let me begin by stating my strong objection to this Adminstration's attempt to terminate and/or drastically reduce BIA services to Alaska Natives. This is yet another example of this Administration's insensitivity to the needs of these Native people, particularly since there is no verification of improved economic status among Alaska Natives as asserted by the BIA in its budget justification. I urge you to restore the monies that are proposed to be eliminated from the budget in the amount of $12,038,000. This amount would maintain the FY 1985 level of funding for existing BIA services to Alaska Natives. I understand that my colleague from Alaska, Mr. Don Young, has submitted a statement supporting restoration of these funds and providing a more detailed explanation of the effect of such a proposal.

A second matter of great concern to me is the Department's effort to amend the Indian Self Determination Act through the appropriations bill. The amendment would authorize the Department to make consolidation grants to tribes for any of the several programs identified under the newly created Tribe/Agency budget set aside of $295,088,000. My objection to this proposal is based on the complete lack of information on how this proposal would be implemented and also that the tribes themselves have not had an opportunity to comment on this proposal prior to its implementation. This appears to be simply a means by which this Administration can discharge its responsibility totally for these programs, regardless of how, and at what funding level these services would be administered. I am, therefore, asking that you disapprove and exclude from the appropriations bill any language authorizing consolidated grants under P.L. 93-638.

Another Indian program for which the Administration continues to fail to fully meet its responsibility is the Indian Health Service. I consider their FY 1986 budget request for this agency ludicrous. Their proposed request is $131,585,000 less than what is available in the FY 1986, post Gramm-Rudman reductions. The FY 1986 IHS final budget for services and construction was $853,963,00 compared to the FY 1987 request of $722,378,000 for services with no construction funding. We both know how important these IHS services are to Indian people, especially since many communities have little or no alternative health resources. Some of the programs that I would like to comment on, in support of are the CHRs (Community Health Representatives), the Manpower (Scholarships), Urban Health, Sanitation Facilities and Hospital & Clinic Construction. (EXAMPLE: Sacaton Hospital, Arizona, has been funded, approximately $6,000,000 for part of its construction in FY 1986 and needs approximately $12,500,000 to finish but no funds were requested.)

In summary of my concerns over the budget request for these Indian programs, I urge the reinstatement of funds of these programs to the FY 1985 levels and to continue funding those programs which were specifically proposed for termination. I will be writing to you shortly in more depth on the various programs and items contained, or not contained, within the budget request. I add my support to your efforts to provide adequate federal assistance for the Indian people of this country.

INSULAR AFFAIRS

The Committee on Interior and Insular Affairs has jurisdiction over almost all matters concerning the U.S. territories and commonwealths. The only exceptions are levying federal taxes and the responsibility of this subcommittee: providing federal appropriations.

The people of the territories and commonwealths are among the most needy and least politically powerful of our fellow Americans. So, Congress has a trust-like responsibility to give special consideration to their interests.

The members of the committee that I chair approached the President's spending request for the insular affairs in this spirit. We balanced insular needs against the federal resources.

We reached a bipartisan and virtually unanimous agreement on the minimum allocations of federal resources.

We reached a bipartisan and virtually unanimous agreement on the minimum allocations of federal resources that should be made to meet the needs of the U.S. islands. We believe that not meeting needs to this degree would contravene national as well as insular interests.

This subcommittee has shown sensitivity to the unique needs and circumstances of the insular areas in the past. I know that it will arrive at recommendations regarding the Administration of Territories spending in fiscal year 1987 which may vary somewhat from ours but I hope that it will agree with us on a minimum level of assistance overall and on some of the major purposes for it.

The substantial decrease in special aid to the insular areas in recent years should be kept in mind when considering the overall amounts of this spending. Current year assistance is a full third less than fiscal year 1982 spending when inflation is taken into consideration.

The President`s request for fiscal year 1987 would reduce this even further. Administration of Territories is an area that has taken substantial real cuts already.

Overall levels of assistance, of course, are not as important whether they permit the federal government to meet its insular responsibilities. The Interior and Insular Affairs Committee believes that both irreducible national and insular needs can be met in 1987 but just a small increase over current spending.

Our report to the Committee on the Budget goes into our recommendations in detail. I want to briefly outline for you now, however, what I regard as the most important of these recommendations.

AMERICAN SAMOA

American Samoa's medical facilities are in poor condition. Our committees have worked together in the past to provide adequate medical facilities for the Northern Marianas Island, the Virgin Islands, and Guam.

It is not feasible to meet Samoa's major health care needs next year. However, it should be possible to provide some essential equipment.

Meeting housing needs is a second area where Samoa has not received assistance equivalent to that provided to the other islands. The reason for this primarily relates to the territory's unique land laws which preclude normal mortgage financing. However, the extent of Samoa's housing problems, however, requires special assistance of the sort provided in fiscal year 1984.

The fact, that the 1984 appropriations were only recently released to the territory is not a reason to deny further assistance. Neither is the fact that the Interior Department has still not completed the plan required by law to meet Samoa's housing needs.

Samoa's schools are seriously overcrowded and lack basic facilities. Classrooms and other facilities should be provided.

GUAM

Gramm-Rudman contradicted a number of federal commitments in the insular areas. This included the pledge to return to Guam all federal taxes derived from the territory and the obligation to pay a portion of the cost of financing the Guam Power Authority's debt.

The sequestered amounts of income tax rebates and the utility's federal subsidy should be made up. We should not jeopardize the fiscal stability of the territory and the federal relationship with it.

Appropriations were made this fiscal year to design a mental health/drug abuse facility to replace care at the structurally unsound, old Guam Memorial Hospital. Initial construction costs should now be provided.

NORTHERN MARIANA ISLANDS

The Committee has no dispute with the levels or purposes of the assistance requested for the Northern Mariana Islands. In particular, it supports the proposed increase in capital improvements assistance, although its funds this curious in light of the proposed reductions in assistance for similar needs in Samoa and Guam.

Our support of fiscal year 1987 requests for the Marianas does not, however, indicate that we agree that the Covenant should be amended as agreed by representatives of the President and the Governor. Members are concerned about directly amending the Covenant and granting the Interior Department broad authority it does not have under the Covenant.

In general, however, I think the Committee will agree with the goals of the agreement when legislation regarding it is marked-up. I expect this consideration to take place within a month.

PUERTO RICO

The work begun with fiscal year 1984 appropriations to restore historic El Morro Castle in Puerto Rico should be continued. Perhaps some of the now not needed funds to acquire property near Tortuguero Lagoon can be used for this work.

VIRGIN ISLANDS

As is the case with the return to Guam of federal taxes derived from the territory, rum excise tax rebates for the Virgin Islands sequestered by Gramm-Rudman should be made up. This is important because of the critical deficit the islands face and to preserve the basis of the federal-territories relationship.

There are also the reasons why revenues raised by the 1984 increase in the federal tax on rum should also be rebated. We are, therefore, working on legislation to correct this problem with the committee that has jurisdiction over levying federal taxes in the insular areas: Ways and Means.

THURSDAY, APRIL 17, 1986.

NATIONAL PARKS

WITNESS

HON. BRUCE F. VENTO, MINNESOTA

Mr. YATES. Mr. Vento, we have time only to take your statement for the record.

Mr. VENTO. Very good.

Mr. YATES. You are past your time. If Mr. Breaux wants to yield his——

Mr. VENTO. No, I just wanted to be present for you to receive my correspondence.

The committee is impressed with the Interior Committee.

[The statement of Hon. Bruce F. Vento follows:]

TESTIMONY OF CONGRESSMAN BRUCE F. VENTO

Before the Subcommittee on Interior Appropriations

April 17, 1986

Mr. Chairman and Members of the Subcommittee, I appreciate having the opportunity to testify before you today. On February 20, 1986 the Subcommittee on National Parks and Recreation, which I chair, held an oversight hearing on the National Park Service's Fiscal Year 1987 proposed budget. Following this hearing, the Subcommittee developed budget recommendations which were incorporated into the report of the Committee on Interior and Insular Affairs to the Budget Committee, which was adopted on February 25, 1986.

The budget recommendations adopted by the Committee represent a careful effort to achieve a measure of budget savings without impairing the ability of the National Park Service to carry out its mission as the lead Federal agency in the field of recreation and cultural and natural resources management. Overall, the recommendations adopted by the Committee, while above the administration's request, are below the Fiscal Year 1986 appropriations.

Last month, Mr. Chairman, I sent you a lengthy letter outlining in greater detail the budget recommendations of the Interior Committee for the National Park Service. In the interest of brevity, I will not go through the letter. Instead, I would ask that it be made a part of the record.

KNOWING OF YOUR EXTREMELY BUSY SCHEDULE TODAY, I WILL END MY STATEMENT AT THIS POINT. I DO WANT TO AGAIN THANK THE SUBCOMMITTEE FOR THE OPPORTUNITY TO TESTIFY, AND HOPE THAT EVERY CONSIDERATION CAN BE GIVEN TO THE CONCERNS I HAVE RAISED IN MY LETTER OF MARCH 14, 1986 TO YOU.

NINETY-NINTH CONGRESS

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March 14, 1986

Honorable Sidney Yates
Chairman, Subcommittee on Interior and Related Agencies
B308 Rayburn House Office Building
Washington, D. C. 20515

Dear Mr. ~~Chairman~~: Sid

On Thursday, February 20, 1986 the Subcommittee on National Parks and Recreation held an oversight hearing on the National Park Service's FY 1987 proposed budget. The Subcommittee received testimony from Assistant Secretary William Horn, National Park Service Director William Penn Mott and members of his staff, as well as public witnesses.

The February 20, 1986 oversight hearing provided the basis for the development of the budget recommendations adopted by the Committee on Interior and Insular Affairs on February 25, 1986. The Committee's recommendations deal with several important NPS programs that would be significantly altered or eliminated under the proposed FY 1987 budget (see attached table). By way of summary, I want to share with you some of the most important points of our recommendations for your review and use during your Committee's deliberations.

Operations

Under the administration's proposed budget, the NPS's operations account would be funded at $596,482,000, a significant cut from the FY 1986 appropriation of $623,996,000. The budget request proposes to make up the cuts and elimination of several operations programs through the creation of a new recreation fee account to either supplement or directly fund these programs.

I believe the National Park Service, in testimony before the Committee, made a persuasive case for increases in operations funding. The Committee agreed with the need for increased operations funds to protect and manage our valued park resources.

The level of funding we recommended would restore proposed cuts and provide for modest increases in several important operations programs that the National Park Service and public witnesses have identified.

Rather than following the administration's approach, the identified increases could be funded from the removal of a prohibition presently in law (P.L.96-514) that prevents using recreation fee collections for operations funding. This change alone, without any increase in fees, would make $15 million currently held in the special account and the 1986 fee collections (estimated to be about $25 million) available for appropriation to the National Park Service to supplement rather than supplant operations funding.

Through your efforts last year, several additional Class I Area parks received air quality monitors. I hope we can complete that job this year by providng funding at the remaining eight Class I Area parks that are not presently monitored. I also hope we can complement this scientific research effort by providing the resources for the Park Service to retain the training program for natural resource managers, initiate a scientific review of natural resource programs and park wilderness management, and provide reports on the status of park resources and visitor use impacts on park resources. These small but important efforts could be funded for about $2.4 million.

Construction

For construction, the Committee recommended $60 million, plus an additional $8.5 million from the Visitors Facilities Fund. There exists a backlog of approximately $1.6 billion worth of construction projects on the National Park Service's priority list. Many of the construction projects constitute rehabilitation of existing park facilities rather than construction of new ones. If we were to follow the administration's deferral in requesting funds for construction, it would mean we would soon have to undertake another PRIP-type crash program to correct these health and safety deficiencies.

Land and Water Conservation Fund

The fiscal year 1987 budget request for LWCF funds for the National Park Service amounts to a de facto moratorium on land acquisition, since the amounts requested provide for only administrative costs, deficiency awards and an extremely limited number of hardship cases. Additionally, the administration has requested rescissions in the FY 1986 appropriation for the National Park Service of $19.3 million for land acquisition and $35.9 million for state grants from the LWCF.

Year after year the administration tries this gambit, and year after year you have been instrumental in maintaining a level of support for this important program. Regardless of whether the administration calls it a moratorium or cloaks it in other terms, we should reject this approach to land acquisition policy. The Committee received extensive testimony and reports on the large backlogs of land acquisition within authorized areas, and how delays in completing acquisitions within these areas have meant higher eventual acquisition costs to the Federal government, increased threats from development, and continued hardships for landowners who are willing sellers.

The Committee also recommended rejecting the administration's attempt to close out the State Grant program. This program, which provides matching grants to the States for the acquisition and development of parks and recreation facilities, is a vital catalyst in providing a diverse spectrum of recreational opportunities.

Recreation Fees

Regarding the administration's recreation fee proposal, it was the Committee's decision to defer the proposal at this time. Such a far-reaching fee proposal is sure to engender considerable debate, especially from our Senate counterparts who have been vocal on this issue in the past. It would be premature to proceed with a fee bill with no indication from the Senate that they would consider it, yet alone act on it.

In my initial review of the administration's proposal, there were several aspects to it that were of concern to me. For instance, the administration hopes to use fee revenue to supplant rather than supplement appropriations to certain operations of the National Park Service. Further, the administration proposes to use 20% of the fee collected to offset expenditures by other Departments, rather than for park purposes.

The Park Service estimates a 20% drop in visitation at park areas where these new and expanded fees would be collected. Even with a cut in visitation of this magnitude, the NPS testified they have not conducted any studies to gauge the social and economic impacts of increased fees.

It is obvious that a fee proposal of this magnitude will have a far-reaching impact on the Park System. It was the Committee's view that the proposal needs further review before embarking on such an unprecedented fee collection effort in our parks.

The above recommendations by the Committee represent a careful effort to provide for a measure of fiscal restraint without impairing the ability of the National Park Service to carry out its mission as the lead Federal agency in the field of recreation and natural and cultural resources management.

I appreciate having the opportunity to share with you the Committee's views on the proposed FY 1987 National Park Service budget.

Warm regards.

Sincerely,

Bruce F. Vento
Chairman
Subcommittee on National Parks
and Recreation

Enclosure

Summary of the Committee Recommendations for the National Park Service and Related Programs

	1986 Appropriation	1987 Budget Request	1987 Committee Recommendation
OPERATIONS.................	$623,996,000	$596,482,000[1]	$650,000,000
CONSTRUCTION			
BUILDINGS AND UTILITIES..........	$113,436,000[2]	$29,114,000[2]	$60 million
VISITOR FACILITIES FUND....................	($8.5 million)	($8.5 million)	$8.5 million
NATIONAL RECREATION AND PRESERVATION........	$11,029,000	$9,547,000	$11 million
LAND ACQUISITION (LWCF)			
NPS..................	$48,400,000	$13 million	$80 million
FWS..................	$40,670,000	$1.5 million	$20 million
FS...................	$28,300,000	$3,206,000	$25 million
BLM..................	$2.3 million	0	$ 2 million
STATE GRANTS..........	$50 million	$2,270,000	$35 million
TOTAL LWCF............	$169,670,000	$19,976,000	$162,000,000

[1] Administration proposes an additional $59 million above requested amount for operations from recreation fee collections

[2] $8.5 million of this total derived from a transfer from the Visitor Facilities fund.

THURSDAY, APRIL 17, 1986.

FISH AND WILDLIFE SERVICE

WITNESS

HON. JOHN B. BREAUX, MERCHANT MARINE AND FISHERIES COMMITTEE, LOUISIANA

Mr. YATES. Senator Breaux, we would be glad to hear you. Your statement may go into the record.

Mr. BREAUX. Thank you, Mr. Chairman.

We, in an effort to reduce the time, have got my ranking minority member, Don Young, not to appear, and he totally supports what we are trying to do here today.

I am pleased with the opportunity to appear. This is my last appearance, I guess, before your subcommittee, and I want to say for the record——

Mr. YATES. We hope we will be working with you in your capacity as a Senator.

Mr. BREAUX. I appreciate that.

Mr. YATES. Mr. Moore won't like it.

Mr. BREAUX. That is all right. He doesn't read these records.

We have our statement, Mr. Chairman, for you and the staff to consider. I would just point out a couple of highlights in the statement.

Fish and Wildlife Service this year are requesting $5 million additional for this work on waterfowl population. We are asking the committee consider recommending $2 million be earmarked for the study of wintering waterfowl habitat.

It has been something our subcommittee has looked at. The Service has spent a great deal of time, effort and money in the northern provinces studying what happens in the breeding area.

We would like to have money for the first time in a serious way to be considered to be earmarked to study the wintering waterfowl habitat, of what can be done to improve it.

It is one thing to have good breeding ground. We need that. But we also have to take a look at what is happening to the waterfowl population which have dramatically decreased in their southern areas. That is where they spend their winters.

Last year, for instance, we had the lowest waterfowl population in 31 years. I think it is important we consider what has happened to those birds when they leave the northern areas and spend the winters in the southern states, my state in particular.

Talk about losing wetland areas. This is a picture in about 1940, the same area last year, and it shows you what is happening to those wetland areas.

We are losing 50 square miles a year just with natural erosion, and it is disappearing quite rapidly.

Twenty-five percent of all the wetlands of North America are in one state, and that is the State of Louisiana, and we are losing them at the rate of 50 square miles a year.

This waterfowl study could look at some of the causes and make some recommendations, and I would just ask the committee in your wisdom maybe try and earmark some of those funds for the wintering waterfowl study.

The Wallop-Breaux bill which is now the law—and I mentioned this the last time we were here—we asked the sportsmen of this country to put up their own money to help enhance fishing opportunities for the 55 million fishermen we have in America.

They are doing that, and the projections for 1987 is that the Wallop-Breaux program will generate $161 million. These are tax dollars they have willingly said, "We are willing to put up to help pay for instead of having these funds come out of the general Treasury."

The concern I want to make known to you gentlemen, Mr. Chairman, this morning, is that the Fish and Wildlife Service wants to cut the personnel who handled this program by over 50 percent. That is the budget recommendation.

At a time, when we are dramatically increasing the amount of money available through the tax, they say we are going to cut personnel by 50 percent in this area.

We think that is not a wise expenditure. We got more money. We should see it spent properly, and I think it is important to maintain the current level for the adminstrators of the program.

Our annual comments on fish hatcheries. Once again, the adminstration wants to eliminate and close six hatcheries. The last time I spoke to your committee, Mr. Chairman, we told you we would work on legislation which would try to set up a procedure by which these hatcheries can be found to have a true national purpose, and sort of a scale, give us criteria to the adminsitration, and as far as priorities are concerned.

I can report to you today, Mr. Chairman, our subcommittee has now reported the legislation out. It is scheduled for markup in full committee in May. I think it will at least establish some criteria as to how these hatcheries should be operated, and don't just let politics alone, as it has a legitimate role, of course, but don't let politics determine which ones will be opened or closed.

Our legislation is moving, and I would just ask that we continue to keep these six hatcheries open until we can have the legislation which will make the changes in a sound and effective manner.

Mr. YATES. Makes sense.

Mr. BREAUX. The last thing is Atchafalaya National Wildlife Refuge. I have difficulty spelling that one.

The Service has previously appropriated $10 million for acquisition of land in this area. This is the largest wildlife refuge in terms of area in all of North America. It is close to Louisiana. In fact, it is right in the middle of it.

We are asking for an additional $2.5 million—I am sorry, $2.4 million, which would allow the acquisition of a final 15,000 acres in the refuge.

The willing sellers, after years, have been brought together after a great deal of work.

Mr. YATES. How important is this wetlands issue to the people of America? How important is it to the people of Louisiana?

Mr. BREAUX. We have finally come to recognize not only the esoteric value of wetland areas but the economic value of it, because they provide the breeding habitat for fish which are consumed by everyone in North America.

Now we have that proper balance in the state. Our people want to preserve and protect for esthetic reasons, but also for economic reasons, and that is why people have worked so hard to get the willing sellers who previously were not willing to be willing to buy and allow land to be purchased which would complete the refuge.

It has completed a lot of work, but I think now things are in proper balance.

Those are the highlights. And then just to point out, somebody else will be here next year to bore you people. But I want you to know it has been a real pleasure.

Mr. **Yates**. We hope you will be back to bore us, too.

Mr. **Breaux**. I will if you allow the people from the Senate to come in.

Mr. **Yates**. Appreciate your coming in.

[The statement of Hon. John B. Breaux follows:]

STATEMENT OF HONORABLE JOHN B. BREAUX
BEFORE THE SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS

U.S. FISH AND WILDLIFE SERVICE FY 87 BUDGET

APRIL 17, 1986

Mr. Chairman, I am pleased to have the opportunity to appear before the Subcommittee today to discuss the Fiscal Year 1987 budget for the U.S. Fish and Wildlife Service. As you know, the Subcommittee on Fisheries and Wildlife Conservation and the Environment is the primary authorizing Subcommittee for programs within the Service. As Chairman of the Subcommittee, I will present a budget proposal for the Service on behalf of myself and my colleague Mr. Young, the Ranking Minority Member of the Subcommittee.

Mr. Chairman, I have appended to this testimony our detailed recommendations for programs within the jurisdiction of the Subcommittee on Fisheries and Wildlife Conservation and the Environment. I would like to take a few moments this morning to highlight some of the most significant recommendations.

I am pleased that the Administration budget proposal is placing additional emphasis on the problems associated with contaminants. While the selenium contamination problem at the Kesterson National Wildlife Refuge in California has been perhaps the most visible problem in the past year, contamination within our Refuge System is unfortunately much more widespread. The

Service has recently completed a preliminary assessment of contaminant problems within the Refuge System, and the Service is requesting an additional $953,000 for contaminant related activities under the Habitat Resources Field Operations program. We believe that this request is sound, and would suggest an additional $200,000 beyond the Service request to assist in the development of contaminant action plans for refuges with identified problems.

As you know, Mr. Chairman, I have a long-standing interest in migratory waterfowl. This is a resource of tremendous national significance, and the wetlands of my home State of Louisiana are of extraordinary value as wintering grounds to waterfowl from both the Central and Mississippi Flyways. Our waterfowl, however, are in trouble. Many populations are down, and habitat loss and degradation continue at an alarming rate. As a result, hunting seasons were curtailed in 1985 in an effort to encourage populations to rebound following a series of difficult drought years.

Clearly, the quantity and quality of breeding ground habitat has a major influence on migratory waterfowl populations. So also does wintering habitat. The survival, health, and nutritional status of birds on the wintering grounds have obvious implications for breeding success in the northern prairies. Coastal Louisiana and Texas alone serve as wintering grounds for over one-quarter of the North American dabbling duck population, OVER 500,000 GEESE, AND OVER 85 PERCENT OF THE MISSISSIPPI FLYWAY WATERFOWL. COASTAL WETLANDS HABITAT IS OF VITAL IMPORTANCE FOR OUR WATERFOWL RESOURCES, YET IN LOUISIANA ALONE WE ARE LOSING OVER 50 SQUARE MILES EACH YEAR, WHICH TRANSLATES INTO ABOUT AN ACRE EVERY 16 MINUTES! THIS HABITAT, LIKE BREEDING HABITAT, IS ALSO SUBJECT TO DETERIORATION IN QUALITY DUE TO AGRICULTURAL AND INDUSTRIAL CONTAMINANTS, AND IS SUBJECT TO SALTWATER INTRUSION DUE TO SUBSIDENCE AND OTHER CAUSES.

THE FISH AND WILDLIFE SERVICE IS REQUESTING THE ADDITION OF OVER $5 MILLION IN 1987 TO ADDRESS WATERFOWL PRODUCTION AND MORTALITY PROBLEMS. IT IS CRITICAL THAT WINTERING HABITAT PROBLEMS RECEIVE ADEQUATE CONSIDERATION IF WE ARE TO STEM THE DECLINE IN OUR WATERFOWL POPULATIONS. THEREFORE, I WOULD LIKE TO REQUEST YOUR HELP TO SEE TO IT THAT THIS DWINDLING HABITAT, WHICH FIGURES SO PROMINENTLY IN THE LIFE HISTORIES OF OUR MIGRATORY WATERFOWL, RECEIVES THE ATTENTION THAT IT DESERVES. I SUGGEST THAT ABOUT 40 PERCENT OF THE PROPOSED INCREASE, OR ABOUT $2 MILLION, BE DEVOTED EXPLICITLY TO WATERFOWL PROBLEMS ASSOCIATED WITH WINTERING HABITAT. THESE FUNDS WOULD ALLOW THE SERVICE TO PLACE GREATER EMPHASIS ON WINTERING WATERFOWL ISSUES, AN AREA IN WHICH SERVICE INVOLVEMENT HAS IN THE PAST BEEN RELATIVELY SMALL. ALSO, I BELIEVE THAT THE SERVICE SHOULD TAKE FULL ADVANTAGE OF ITS IN-HOUSE CAPABILITIES THROUGH THE NATIONAL COASTAL ECOSYSTEMS TEAM, AS WELL AS OF STATE AND UNIVERSITY EXPERTISE IN DEALING WITH THESE ISSUES. FOR EXAMPLE, THE CENTER FOR WETLAND RESOURCES AND THE FISH AND WILDLIFE COOPERATIVE RESEARCH UNIT, BOTH OF

Louisiana State University, could make valuable contributions to Service efforts in the Gulf region on wetland and wintering migratory waterfowl issues.

Mr. Chairman, this year we are once again faced with a proposal by the Fish and Wildlife Service to close or transfer to the States a number of federal fish hatchery facilities. As has been the norm in the past years, the facilities facing closure are located in the southeastern U.S. These facilities include the Natchitoches National Fish Hatchery in Louisiana. In my view, Mr. Chairman, this annual hatchery closure waltz has got to stop. It is extremely difficult for the states to adequately plan fishery operations when the Service is constantly threatening to close federal facilities, and the integrity of the facilities themselves suffers as necessary maintenance is deferred in anticipation of closure. I have introduced H.R. 3167, cosponsored by Mr. Young, which would delineate and codify the roles of federal hatcheries in fisheries management and conservation. Our Subcommittee has held hearings on this legislation, and markup was held in March. Full Committee action is expected on the bill in May. While the bill would necessitate realignment of current operations at some facilities, all hatcheries curently in operation would remain as part of the new system; thus, no currently operating hatchery would be subject to closure. Mr. Young and I believe that this legislation will bring badly needed order and stability to federal hatchery programs. Therefore, we recommend that this Committee continue

FUNDING FOR THE SIX HATCHERIES PROPOSED BY THE ADMINISTRATION FOR CLOSURE OR TRANSFER IN 1987 SINCE THESE FACILITIES WILL CONTRIBUTE SIGNIFICANTLY TO THE SYSTEM ENVISIONED IN H.R. 3167. WE ARE, HOWEVER, WILLING TO ACCEDE TO THE SERVICE PROPOSAL TO DISPOSE OF THE BEAR'S BLUFF FIELD STATION. THIS FACILITY WOULD REQUIRE EXTENSIVE CAPITAL IMPROVEMENTS TO FUNCTION EFFICIENTLY AND, IN THE ABSENCE OF SUCH FUNDING, IT DOES NOT APPEAR THAT THE FACILITY CAN MAKE A SIGNIFICANT CONTRIBUTION TO FEDERAL FISH PRODUCTION NEEDS.

THE ENDANGERED SPECIES PROGRAM HAS BEEN PROPOSED BY THE SERVICE FOR A NUMBER OF CUTS IN 1987. I WOULD PARTICULARLY LIKE TO HIGHLIGHT OUR SUGGESTED RESTORATION OF A $249,000 CUT UNDER THE LISTING PROGRAM. DURING HOUSE REAUTHORIZATION OF THE ENDANGERED SPECIES ACT IN 1985, IT BECAME CLEAR THAT THE NUMBER OF SPECIES BECOMING EXTINCT WHILE AWAITING LISTING WAS A SERIOUS PROBLEM. AMENDMENTS WERE INCLUDED AS PART OF THE REAUTHORIZATION TO ESTABLISH A MONITORING PROGRAM FOR THOSE SO-CALLED CANDIDATE SPECIES. WE PROPOSE THAT THE $249,000 BE RESTORED AND DEVOTED TO MONITORING OF THESE CANDIDATE SPECIES.

AS THE NUMBER OF LISTED SPECIES HAS INCREASED, SO HAS THE RESPONSIBILITY OF THE SERVICE FOR CONSULTATION REGARDING THE POTENTIAL IMPACTS OF FEDERAL ACTIONS ON THESE SPECIES. THIS CONSULTATION PROCESS OFFERS SIGNIFICANT PROTECTION FOR THESE SPECIES AND OFFERS DEVELOPMENT AGENCIES AN EARLY AND INFORMAL OPPORTUNITY TO DEVELOP PLANS WHICH WILL NOT JEOPARDIZE THESE

SPECIES AND, CONSEQUENTLY, THE PROJECT. IN VIEW OF THE INCREASING WORKLOAD AND THE VALUE OF THE CONSULTATION PROCESS, WE SUGGEST THAT AN ADDITIONAL $400,000 MAY BE WARRANTED.

WE ALSO HAVE SOME SPECIFIC CONCERNS RELATIVE TO THE CALIFORNIA CONDOR RECOVERY PROGRAM. AS YOU KNOW, CONGRESS HAS APPROPRIATED MONEY TO ACQUIRE CONDOR HABITAT, BUT INTERIOR HAS NOT SPENT THE FUNDS BECAUSE MANY OF THE CONDORS HAVE BEEN TAKEN INTO CAPTIVITY. WE BELIEVE IT WOULD BE WISE TO PRESS FORWARD WITH ACQUISITION OF THE HABITAT. AS CONDORS ARE SUCCESSFULLY BRED, WE WILL NEED TO HAVE PROTECTED HABITAT IN WHICH TO RELEASE THE BIRDS.

AS A FINAL NOTE ON THE ENDANGERED SPECIES PROGRAM, THE ADMINISTRATION IS PROPOSING TO DISCONTINUE THE SECTION 6 STATE GRANT PROGRAM FOR CONSERVATION OF THESE SPECIES. IN THE RECENT HOUSE-PASSED REAUTHORIZATION OF ESA, THE STATE GRANT FUNDING AUTHORITY WAS INCREASED IN RECOGNITION OF THE IMPORTANT AND COST-EFFECTIVE ROLE THAT SUCH MATCHING GRANTS PROVIDE IN ENDANGERED SPECIES CONSERVATION. WE HEARTILY DISAGREE WITH THIS ADMINISTRATION PROPOSAL, AND RECOMMEND THAT THE COMMITTEE RETAIN FUNDING FOR THE STATE GRANT PROGRAM.

I AM PLEASED THAT THE ADMINISTRATION HAS SHOWN THE GOOD SENSE TO NOT TAMPER WITH THE WALLOP-BREAUX AQUATIC RESOURCES TRUST FUND IN THE 1987 BUDGET. I WOULD LIKE TO THANK YOUR COMMITTEE, MR. CHAIRMAN, FOR ITS REFUSAL OF THE ADMINISTRATION'S ILL-CONCEIVED EFFORTS TO DISRUPT THE PROGRAM LAST YEAR. THE WALLOP-BREAUX program, which is fully user-supported, is now moving ahead successfully and our Committee will be keeping a close watch over the program to be sure these precious dollars are well spent.

I would like to bring to the Subcommittee's attention a proposal to reduce administrative funding for management of both the Wallop-Breaux and Pittman-Robertson programs. Fish and Wildlife Service personnel perform an important quality control function by ensuring that these state grant funds are used for projects which conform with accepted standards for fish and wildlife conservation and management. These personnel also act in a useful technical assistance capacity for the states. As you know, the federal aid program for sport fish restoration has more than tripled in size beginning in FY 86 as the Wallop-Breaux funds have become available. The Administration is proposing to cut Fish and Wildlife federal aid personnel by over 50 percent at a time when the available funds have increased substantially. Since these personnel are funded from user fees through the federal aid programs, no significant savings to the federal government would be achieved by the proposed cut back. The states are supportive of maintaining these personnel, and I would sincerely hope that this Committee would support efforts to maintain the existing FTE level for federal aid personnel.

As a final note, I would like to comment briefly on the land acquisition proposal for the Fish and Wildlife Service. The Administration is continuing its proposed moratorium on land

ACQUISTIION, WHICH THIS COMMITTEE AND THE CONGRESS WISELY REJECTED LAST YEAR. THIS YEAR, WE ARE SUGGESTING A MODEST ACQUISITION BUDGET TO ALLOW THE SERVICE TO CONTINUE TO MOVE FORWARD WITH SOME HIGH PRIORITY PROGRAMS. ALSO, WE BELIEVE THAT IT IS IMPORTANT TO ROUND OUT SOME EXISTING HOLDINGS WHILE WILLING SELLERS ARE AVAILABLE. I AM ESPECIALLY ANXIOUS TO SEE THE ATCHAFALAYA NATIONAL WILDLIFE REFUGE ACQUISITION COMPLETED, AND WOULD ASK THE COMMITTEE'S ASSISTANCE IN PROVIDING AN ADDITIONAL $2.4 MILLION TO COMPLETE THE SALE OF OVER 15,000 ACRES OF EXTRAORDINARILY VALUABLE WETLANDS.

MR. CHAIRMAN, I APPRECIATE THE KEEN INTEREST WHICH YOU AND YOUR FELLOW COMMITTEE MEMBERS HAVE SHOWN IN MAINTAINING THE VITAL PROGRAMS OF THE U.S. FISH AND WILDLIFE SERVICE IN THE FACE OF DIFFICULT BUDGETARY TIMES. I BELIEVE THAT OUR COMMITTEES, WORKING TOGETHER, HAVE DEVELOPED AND MAINTAINED STRONG, EFFECTIVE, AND COST-EFFICIENT PROGRAMS OF GREAT VALUE IN THE WISE CONSERVATION AND MANAGEMENT OF OUR NATION'S FISH AND WILDLIFE RESOURCES. AS YOU KNOW, I WILL NO LONGER BE SERVING AS CHAIRMAN OF THE SUBCOMMITTEE ON FISHERIES AND WILDLIFE CONSERVATION AND THE ENVIRONMENT AFTER THIS YEAR. HOWEVER, I LOOK FORWARD TO CONTINUING TO WORK WITH YOU AND MY OTHER HOUSE COLLEAGUES FROM THE OTHER BODY IN THE YEARS AHEAD. I APPRECIATE YOUR FINE WORK AND EXCELLENT COOPERATION OVER THE YEARS, AND THANK YOU FOR THIS OPPORTUNITY TO TESTIFY BEFORE YOU AGAIN TODAY. IF YOU SHOULD HAVE ANY QUESTIONS REGARDING MY TESTIMONY, I WOULD BE PLEASED TO ANSWER THEM AT THIS TIME.

COMMITTEE VIEWS AND ESTIMATES

HABITAT RESOURCES/FIELD OPERATIONS

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
21,345	21,934	23,167	+1,233	23,367	+200	+1,433

Program Description

The Field Operations Program provides fish and wildlife information and recommendations on Federally-sponsored land and water development projects and Federal permit and licensing decisions. The program also provides all of the Service's operational activities concerning the contamination of fish and wildlife resources from polluting substances such as petroleum, pesticides, and other toxic chemicals. The FY '87 request included an additional $280,000 to be directed toward providing pre-development consultation to encourage wetlands protection during project planning, permitting, and licensing. An additional $696,000 will be spent to determine the effects of contaminants on waterfowl, wetlands, and anadromous fish. An additional $257,000 will be directed toward protecting fish and wildlife and their habitat from the adverse effects of point and non-point pollutants.

Recommendation

The Committee agrees with the Administration's request for additional funds for contaminant efforts. However, the Committee believes an additional $200,000 is needed for contaminant action plans on refuges with identified problems.

COMMITTEE VIEWS AND ESTIMATES

HABITAT RESOURCES/NATIONAL WETLANDS INVENTORY

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
5,115	5,313	5,313	0	5,313	0	0

Program Description

The National Wetlands Inventory involves preparation of wetlands data base in map form. The data base records the characteristics and extent of the nation's wetlands and deepwater habitats. Periodic reports on the status and trends of wetlands are prepared. Benefits to be expected from the national wetlands inventory are development of uniform concepts and terminologies for wetlands, reducing conflicts through more efficient planning, and quick and easy reference for business communities and others in the private sector.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

HABITAT RESOURCES/RESEARCH AND DEVELOPMENT

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
14,802	15,308	16,028	+720	16,128	+100	+820

Program Description

The Service's Contaminant Research Program focuses on fish and wildlife resources of high national interest or concern. Wildlife research efforts are conducted at one lab supported by four field research stations. Fishery research is conducted at two national fisheries labs, three subsidiary research labs, and six field stations. The Service conducts applied research directed towards addressing resource issues and fish and wildlife management needs. The Administration's FY '87 request includes an addition of $900,000 to be used to replace outdated equipment, including two more spectrometers needed for contaminants research. An additional $320,000 will be used to expand studies of the effects of contaminated sediments on fish and wildlife inhabiting estuarine areas. Involvement in investigations of the biological effects of acid precipitation will be reduced by $500,000.

Recommendation

The Committee agrees with the Administration's request for additional money for research and development. The Committee feels an additional $100,000 is warranted for the Service to participate in the ongoing efforts involving the Albemarle/Pamlico estuary.

COMMITTEE VIEWS AND ESTIMATES

HABITAT RESOURCES/COOPERATIVE RESEARCH UNITS

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
4,465	4,564	4,564	0	4,564	0	0

Program Description

The objective of the cooperative research units is to provide a medium for conducting cooperative federal, state, and university research on resource management issues of high priority. The thirty-seven units currently in operation at thirty-one state universities also provide advanced training, technical assistance, and promotion of conservation education.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

WILDLIFE RESOURCES/REFUGE OPERATION AND MAINTENANCE

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
101,012	104,206	96,715	-7,491	96,715	+440	-7,491

Program Description

This program provides the management, maintenance, and operational expenses for the National Wildlife Refuge System, including provisions of interpretive and recreational facilities where they do not interfere with the purpose of the refuge. The Administration's FY '87 request includes an additional $1,646,000 to be provided for operational funds for 24 new or expanded refuges. An additional $730,000 will be provided for operational funds for existing refuges. Funds to identify refuge water rights will be reduced by $142,000. Funds for refuge maintenance will be reduced by $9,489,000. Funds for visitor facilities in the Kenai National Wildlife Refuge will be reduced by $378,000. Funds to address the needs of the Arctic Goose Education Program will be reduced by $298,000.

Recommendation

The Committee concurs with all but $440,000 of the Administration request. The Committee recommends that $298,000 be restored to address the needs of the Arctic Goose Education program that was initiated in FY '85 for the Yukon Delta National Wildlife Refuge and $142,000 be restored for assistance in identifying refuge water rights.

COMMITTEE VIEWS AND ESTIMATES

WILDLIFE RESOURCES/LAW ENFORCEMENT AND PROTECTION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
9,562	9,708	9,708	0	9,708	0	0

Program Description

The objective of this program is to inform citizens of appropriate laws and to detect, investigate, apprehend, and refer for prosecution violations of the law and regulations intended to protect domestic and foreign wildlife species protected by treaty, or otherwise under federal jurisdiction, that enter into interstate and international commerce, and to issue permits, when appropriate.

Recommendation

The Committee concurs with the Administration's request for level funding.

COMMITTEE VIEWS AND ESTIMATES

WILDLIFE RESOURCES/POPULATION MANAGEMENT

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
7,030	7,289	9,289	+2,000	9,289	+109	+2,000

Program Description

This program element provides national and international direction and coordination of migratory bird management. Population status and forecasts are used to set annual hunting regulations and to guide habitat protection efforts. This element also provides assistance to states and federal agencies to carry out sound wildlife management programs and operation and technical damage control assistance to reduce wildlife-induced damage. The Administration's FY '87 request includes an additional $2,000,000 to be directed toward increasing waterfowl production on and off Service lands through protection of private wetlands, installation of nesting structures, and evaluation of the success of changed regulations. Funding for activities in support of the Western Convention will be reduced $109,000 to the FY 1985 level.

Recommendation

The Committee recommends that $109,000 be restored to assist the Western Convention expansion of ongoing programs dealing with migratory birds and wildlife management training.

COMMITTEE VIEWS AND ESTIMATES

WILDLIFE RESOURCES/RESEARCH AND DEVELOPMENT

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
10,671	11,026	13,060	+2,034	13,285	+225	+2,259

Program Description

Wildlife research is conducted in the following major areas: waterfowl population status; waterfowl ecology; wildlife health; nongame species; wildlife ecology on public lands; animal damage control; and marine mammals. The Administration's FY '87 request includes an additional $3,051,000 to be provided to investigate non-hunting causes of waterfowl mortality, waterfowl population models, and census techniques. An additional $300,000 will be provided for maintenance and rehabilitation at three wildlife research laboratories. Funds to continue to collect information for polar bear management will be reduced $297,000. Funds to develop techniques for censusing walrus will be reduced $199,000. Funds to develop an alternative to steel as a non-toxic shot will be reduced $596,000. Funds to study southeastern wildlife diseases will be reduced $225,000.

Recommendation

The Committee recommends that $225,000 be restored to the account to fund studies associated with Southeastern wildlife diseases. The Committee also recommends that additional emphasis be placed on wintering waterfowl habitat problems. The Committee suggests that about 40 percent of the new funds requested by the Service be devoted to wintering habitat research and management.

COMMITTEE VIEWS AND ESTIMATES

WILDLIFE RESOURCES/ALASKA SUBSISTENCE

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
932	974	0	-974	974	+974	0

Program Description

This activity will reimburse the state of Alaska for reasonable costs relating to state subsistence programs in accordance with ANILCA. The Administration's FY '87 request proposed to discontinue reimbursements.

Recommendation

The Committee recommends that $974,000 be restored to assist with a program involving subsistent use of fish and wildlife on wildlife refuges.

COMMITTEE VIEWS AND ESTIMATES

FISHERY RESOURCES/HATCHERY OPERATION AND MAINTENANCE

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
25,213	25,930	23,861	-2,069	25,691	+1,830	-239

Program Description

The operation of the national fish hatchery system is directed towards producing and distributing fish to meet federal responsibilities to: (1) facilitate restoration of depleted, nationally significant fishery resources; (2) provide for mitigation of fishery resource impairment due to federal water related developments; (3) assist with the management of federal resources on federal and Indian lands; (4) maintain a federal leadership role in a scientifically based management of national fishery resources. The Administration's FY '87 request includes funding for hatchery production for stocking private waters to be reduced by $921,000 by closing or transferring to state operation six hatcheries. Funding for interpretation and recreation activities will be reduced $154,000 by closing aquaria and visitor facilities at six hatcheries. Funding for one-time hatchery maintenance projects will be reduced by $994,000 to return to FY 1985 levels.

Recommendation

The Committee recommends that $836,000 for the operation and maintenance of the six hatcheries proposed for closure be continued. The Committee intends to enact legislation this year to provide greater Congressional direction and clearer priorities for operation of the Federal hatchery program. The Committee concurs with the Administration's proposal to close or transfer the Bear's Bluff, South Carolina, field station.

The Committee also recommends that the proposed $994,000 maintenance reduction be disapproved in view of serious maintenance requirements at existing facilities.

COMMITTEE VIEWS AND ESTIMATES

FISHERY RESOURCES/LOWER SNAKE RIVER COMPENSATION PLAN

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
5,389	5,602	6,411	+809	6,411	0	+809

Program Description

The Lower Snake River Compensation Plan will mitigate for fish and wildlife losses resulting from Corps of Engineers water development projects on the Lower Snake River. The essential elements of the compensation plan include construction and operation of fishery facilities, construction and operation of hatchery facilities, and acquisition and development of projects in other lands for public access and habitat development. The Administration's FY '87 request includes an additional $809,000 to be directed toward continuing operational startup at eight hatcheries and to begin operation at one new hatchery to be completed in FY 1987.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

FISHERY RESOURCES/REFUGE OPERATION AND MAINTENANCE

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
2,071	2,148	2,148	0	2,548	+400	-400

Program Description

This program provides cooperative assistance in fishery resource management on national wildlife refuges, especially in Alaska.

Recommendation

Nearly $2,000,000 of the request for this activity is to be used to fulfill ANILCA planning activities in Alaska. This provides very limited funding for fishery management activities on refuges within the contiguous 48 states, despite the fact that Service records indicate that sport fishing accounts for over 30 percent of public use on National Wildlife Refuge System units. As in previous years, the Committee recommends that greater emphasis be given fishery management on refuges in the Lower 48, and recommends the addition of $400,000 for this purpose for FY '87.

COMMITTEE VIEWS AND ESTIMATES

FISHERY RESOURCES/LAW ENFORCEMENT AND PROTECTION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
2,060	2,075	2,075	0	2,075	0	0

Program Description

This program conducts activities to enforce federal laws pertaining to fish, with primary emphasis on international, interstate, and Indian-related fishery activities.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

FISHERY RESOURCES/POPULATION MANAGEMENT

(In thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
2,057	2,071	2,285	+214	2,435	+150	+364

Program Description

This program provides technical assistance to federal agencies, Indian tribes, and state agencies on management of fisheries. Predominant emphasis is on anadromous fish data and management methods. The Administration's FY 1987 request includes an increase of $214,000 to enable the Service to quantify fishery-related mitigation requirements at Federal water development projects and lay the foundation for seeking reimbursement from project sponsors.

Recommendation

The Committee agrees that the proposed study of mitigation requirements will form a vital basis for determination of fishery resource mitigation requirements. This study will also be a requirement of legislation which the Committee expects to enact this year. Given the importance of this study, however, the Committee does not believe that the proposed level of funding is sufficient to adequately fulfill this responsibility. Therefore, the Committee recommends the addition of $150,000 above the Administration request to be directed to the mitigation study.

COMMITTEE VIEWS AND ESTIMATES

FISHERY RESOURCES/RESEARCH AND DEVELOPMENT

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
11,605	11,816	11,259	-557	11,408	+149	-408

Program Description

This program provides for the operation of one national fishery research center consisting of five satellite research laboratories, three other major laboratories, and twenty-eight field stations. They provide research on: (1) fish husbandry including health, nutrition, genetics fish culture technology, chemical and drug-related registration; and (2) ecology, including population dynamics and assessment, relationships between species and their environment, and fish control. The Administration's FY 1987 request includes an additional $110,000 to be provided to collect annual assessment data on fish stocks in support of a court-ordered settlement on Indian fishing rights in the Great Lakes. Funding for equipment at the Gainesville Research Laboratory will be reduced $149,000. Funding for one-time maintenance projects and equipment replacement at fishery research laboratories will be reduced $248,000. Funding for aquaculture demonstration projects at Leetown, Virginia, will be reduced $200,000.

Recommendation

The Committee believes that the Gainesville Research Laboratory has important potential, but that the inadequacy of Administration funding requests prevent this new facility from fulfilling that potential. Therefore, the Committee requests the addition of $149,000 for Gainesville Laboratory operations.

COMMITTEE VIEWS AND ESTIMATES

ENDANGERED SPECIES/LISTING

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
3,071	3,186	2,937	-249	3,186	+249	0

Program Description

The objective of this program is to identify and list species in danger of extinction (endangered), and those likely to become endangered within the foreseeable future (threatened) using a priority system based on the degree of threat, type of species, and taxonomic status, including the development of a credible data base for justification. The Administration's FY '87 request includes a reduction of $249,000 for status survey work.

Recommendation

The Committee recommends that the proposed reduction of $249,000 be restored and that the fund be used to institute a monitoring program for species that are candidates for listing.

COMMITTEE VIEWS AND ESTIMATES

ENDANGERED SPECIES/LAW ENFORCEMENT AND PROTECTION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
8,276	8,433	7,240	-1,193	7,240	0	-1,193

Program Description

This program provides for surveillance to protect against taking of endangered species, inspection at shipping points to reduce illegal international and interstate transportation for listed species, and the detection, investigation, apprehension, and referral for prosecution of violations of the Endangered Species Act. The Administration's FY 1987 request reflects a decrease of $1,193,000 delaying the establishment of a forensic lab and a de-emphasis of the Caribbean, endangered Puerto Rican plain pigeon educational program for FY 1987.

Recommendation

The Committee agrees with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

ENDANGERED SPECIES/CONSULTATION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FRO 1987 BASE
2,502	2,588	2,588	0	2,988	+400	+400

Program Description

This program ensures, through formal and informal consultations, that federal agency actions properly consider listed species and that options are selected which will avoid jeopardizing listed species or destroying critical habitats.

Recommendation

Because of the increase in the number of species listed, the Committee recommends an additiona $400,000 for consultation.

COMMITTEE VIEWS AND ESTIMATES

ENDANGERED SPECIES/RECOVERY

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
6,588	6,784	6,030	-754	6,428	+398	-346

Program Description

This program develops and implements recovery programs for endangered and threatened species to the point where they can be removed from the list. Actions include species monitoring, relocation, habitat acquisition, and predator and competitor control. The Administration's FY 1987 request reflects a reduction of $272,000 in refuge operations and maintenance and $482,000 in management activities on off-service lands.

Recommendation

The Committee recommends that the Administration's request be increased by $398,000 to be allocated as follows: restoration of the proposed cuts for the Aleutian Canada goose, grizzly bear, and $150,000 of the proposed $298,000 cut for the California Condor as well as a $75,000 increase for red wolves.

COMMITTEE VIEWS AND ESTIMATES

ENDANGERED SPECIES/RESEARCH AND DEVELOPMENT

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
4,350	4,513	4,365	-148	4,414	+49	-99

Program Description

This program develops tools and techniques which will allow more effective management of endangered and threatened species, including in-depth studies of individual species, or groups of species, within a given ecosystem, habitat evaluations, identification of limiting factors, and development of techniques and procedures for coping with specific management problems. The Administration's FY 1987 request reflects a decrease of $49,000 for black-footed ferret research and $99,000 for Whooping Crane research.

Recommendation

The Committee recommends that $49,000 be restored to the account to assist with the captive propagation facility and research project in Wyoming with the black-footed ferret.

COMMITTEE VIEWS AND ESTIMATES

ENDANGERED SPECIES/COOPERATION WITH STATES

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
4,204	4,393	0	-4,393	4,393	+4,393	0

Program Description

This program provides grant-in-aid, and other assistance to the states, for the development and implementation of state programs for the conservation of endangered and threatened species. The Administration's FY 1987 request will terminate the state grant program for a savings of $4,393,000.

Recommendation

The Committee recommends funding the state grant program at the level of the 1987 base.

COMMITTEE VIEWS AND ESTIMATES

GENERAL ADMINISTRATION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
34,209	36,783	36,633	-150	36,633	0	-150

Program Description

This program provides for overall agency executive direction including planning, developing, and managing all operational programs, and representing the interests of fish and wildlife resources. It also provides professional administrative support, such as personnel management contracting, and general services; financial management, safety, and security. Finally, this element includes the Service's operating overhead accounts, such as base rental, postage, telephone, payroll processing, etc. The Administration's FY '87 decrease of $150,000 will be for administrative support of the National Fish and Wildlife Foundation.

Recommendation

The Committee agrees with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

CONSTRUCTION AND REHABILITATION/WILDLIFE REFUGES

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
5,380	0	0	0	0	0	0

Program Description

In previous years, this program provided projects for two national wildlife refuges.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

CONSTRUCTION AND REHABILITATION/FISH HATCHERIES

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
4,619	0	0	0	0	0	0

Program Description

In previous years, this program provided projects at two national fish hatcheries.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

CONSTRUCTION AND REHABILITATION/FISHERY RESEARCH FACILITIES

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
5,409	0	0	0	0	0	0

Program Description

In previous years, this element funded construction and rehabilitation activities at fishery research facilities.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

CONSTRUCTION AND REHABILITATION/WILDLIFE RESEARCH FACILITIES

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
72	0	0	0	0	0	0

Program Description

In previous years, this program funded fire protection and safety improvements at one wildlife research laboratory.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

CONSTRUCTION AND REHABILITATION/DAM SAFETY

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
1,930	0	2,790	+2,790	2,790	0	+2,790

Program Description

The Dam Safety Program will conduct inspections on dams; and plan, design, and construct corrective action for five dams located in national wildlife refuges. The Administration's FY '87 request for an increase of $2,790,000 will be to cover dam reinspection and implementation of high-priority repairs or planning and design of repairs on four designated dams.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

CONSTRUCTION AND REHABILITATION/ADVANCED PLANNING

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
945	0	323	+323	323	0	+323

Program Description

The Capital Development and Maintenance Management is a program to design and implement a computerized system for identifying and managing capital development and maintenance needs, and to initiate advance planning for future construction projects. The Administration's FY '87 request for $323,000 will be for acquisition of a Computer Aided Drafting and Design (CADD) system for the engineering offices.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

ANADROMOUS FISH/GRANTS TO STATES

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
3,254	0	0	0	0	0	0

Program Description

In previous years, the Anadromous Fish Conservation Act provided financial grants to the state and other non-federal entities for projects that contribute to the purposes of the Act. Project funds could be used for construction, research, production, facility operation and maintenance, coordination, and planning.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

ANADROMOUS FISH/GRANTS ADMINISTRATION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
176	0	0	0	0	0	0

Program Description

The Grants Administration element supports the Fish and Wildlife Service costs of making grant to states. Since the Administration has requested no funds for such grants, there are no administrative costs included.

Recommendation

The Committee concurs with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

ANADROMOUS FISH/EMERGENCY STRIPED BASS STUDY

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
588	0	0	0	500	+500	+500

Program Description

Section 7 of the Anadromous Fish Conservation Act authorized the Emergency Striped Bass study in Fiscal Year 1980 to determine causes of drastic declines of the striped bass population of the Mid-Atlantic coast. The study is a cooperative effort between the Fish and Wildlife Service and the National Marine Fisheries Service. The Administration has requested no funds for FY '87 since the research associated with the Emergency Striped Bass study is currently scheduled to be completed by the end of Fiscal Year 1986.

Recommendation

The Committee, recognizing the drastic decline in this important species, believes that the striped bass study should be continued and restores $500,000 to the Administration's budget for that purpose.

COMMITTEE VIEWS AND ESTIMATES

LAND AND WATER CONSERVATION FUND/ACQUISITION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
38,688	0	1,500	+1,500	20,850	+19,350	20,850

Program Description

The Service's Land Acquisition Program acquires lands (and interest) which aid in meeting the objectives of several programs; (1) habitat for endangered and threatened species, (2) projects specifically authorized by Congress, and (3) additions to existing wildlife refuges. Funding for this program is under the Land and Water Conservation Fund, which derives from outer continental shelf revenues, sales of federal land, and taxes on motorboat fuels. The Administration's FY '87 request for an increase of $1,500,000 will be to complete Land and Water Conservation Fund acquisitions with carryover funds.

Recommendation

The Committee recognizes the need to acquire critical habitat for endangered species and land threatened for development. The Committee recommends an increase of $16,950,000 for the following projects.

Lower Rio Grande, TX	5,000
Hawaiian Forest Bird, HI	3,000
Finnegan Cut, CA	1,500
Fakahatchee Strand, FL	2,650
Kirtlands Warbler, MI	800
Tensas, LA	2,000
Bogue Chitto, LA	2,000
Atchafalaya, LA	2,400
	19,350

COMMITTEE VIEWS AND ESTIMATES

MIGRATORY BIRD CONSERVATION ACT/WETLANDS LOAN FUND ADVANCE

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
14,323	0	0	0	10,561	10,561	+10,561

Program Description

The Service acquires important breeding areas, migration resting places, and wintering areas for waterfowl under terms of the Migratory Bird Conservation Act, and the Migratory Bird Hunting and Conservation Stamp Act. The areas required become part of the National Wildlife Refuge System. The migratory bird conservation account also includes receipts from the sale of "duck stamps". For FY '86 the Administration estimates that receipts from sales of duck stamps will amount to $16,500,000. The Wetlands Loan Act provides additional funds for the Migratory Bird Conservation Fund to enable the Service to increase acquisition of wetlands. No funds are being requested to be advanced in FY '87.

Recommendation

The Committee recommends an advance of $10,561,000, which is the outstanding balance left under the $200,000,000 authorization. The Committee recognizes the urgent need to acquire wetlands in order to save critical habitat for migratory waterfowl. The Committee is particularly concerned with the Anderson-Tully project in Tennessee, Cache River in Arkansas, and Alligator River in North Carolina.

COMMITTEE VIEWS AND ESTIMATES

NATIONAL WILDLIFE REFUGE FUND

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FRO 1987 BASE
5,370	5,611	5,645	+ 34	13,145	+7,500	+7,534

Program Description

The National Wildlife Refuge Fund shares with the counties the economic return from service lands to alleviate the taxes lost because of the exempt status of the land holdings. The Administration's FY '87 request includes an additional $34,000 to offset the imbalance between funds available from receipts and payments in lieu of taxes to counties.

Recommendation

The Committee acknowledges the strong commitment made by counties throughout the United States to support Federal acquisition of critical habitat for wildlife conservation. The Federal Government then made a commitment to the counties to compensate them for their loss in the tax base.

The Committee believes an additional $7,500,000 is needed to fully fund this program.

COMMITTEE VIEWS AND ESTIMATES

SPORT FISH RESTORATION/FISH RESTORATION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
122,167	122,167	161,465	+39,298	161,465	0	+39,298

Program Description

The Deficit Reduction Act of 1984 established a sport fish restoration account in the Wallop/Breaux Aquatic Resources Trust Fund to receive the 10 percent excise tax on an expanded number of items of fishing equipment, the import duties on yachts and pleasure boats, and the portion of the motorboat fuels tax remaining after $1 million has been deposited in the Land and Water Conservation Fund, and the unappropriated balance of the $45 million which has been deposited in the Boating Safety account. The sport fish restoration account is subject to the same permanent appropriation carried over from the Dingell-Johnson Program. The Administration's estimate for FY 1987 of $161,465,000 includes a reduction of $5,267,000 in administrative costs that includes a reduction of 26 FTE's. This reduction or savings is proposed to be passed on to the states for their projects in restoration, enhancement, and management of sport fishery resources. The reduction in FTE's will impact on project processing, project monitoring, grant assistance, and overall program support and review.

Recommendation

The Committee concurs with the funding request but disagrees with the Administration's proposed reduction of the FTE's to administer the program. The increased funding, for the program, coupled with the fact that a number of states are attempting to prepare comprehensive plans, will require existing staff levels to maintain a properly functioning program. Further, the funds for the programs come from fees paid by boaters and fishermen and there is a need to closely monitor the expenditures of funds to ensure that the states fulfill the commitments to the people paying the fees. Finally, the International Association of Fish and Wildlife Agencies, which represents the state agencies, has recommended against the cut in personnel.

COMMITTEE VIEWS AND ESTIMATES

NATIONAL WILDLIFE REFUGE FUND/RECEIPTS

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
7,040	7,040	7,040	0	7,040	0	0

Program Description

Funding is derived from revenues through the sale of products from Service lands less expenses for producing revenues and activities related to revenue sharing. The Administration's FY '87 request anticipates $7,040,000 in revenues in the account.

Recommendation

The Committee agrees with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

FEDERAL AID/WILDLIFE RESTORATION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
115,634	120,829	95,000	-25,829	95,000	0	-25,829

Program Description

The Federal Aid in Wildlife Restoration Act of 1937, commonly called the Pittman-Robertson (P-R) Act, assists the states, Puerto Rico, Guam, the Northern Mariana Islands, American Samoa and the Virgin Islands in carrying our projects to restore, enhance, and manage wildlife resources, and for the conduct of state hunter education programs. The funds to support these projects are derived from the 11 percent excise tax on firearms, ammunition, and archery equipment, and the 10 percent tax on pistols and revolvers. The Administration's estimate for FY '87 of $95,000,000 includes a reduction of $6,529,000 in administrative costs which include a reduction of 26 FTE's. This reduction or savings is proposed to be passed on to the states for their projects to restore, enhance, and manage wildlife resources, and for the conduct of state hunter assistance programs. The FTE reduction will impact on project processing, project monitoring, grant assistance, and overall program support and review.

Recommendation

The Committee concurs with the Administration's funding request but disagrees with the propose reduction of the FTE's. See the comments relating to Sport Fish Restoration for the Committee's rationale.

COMMITTEE VIEWS AND ESTIMATES

MIGRATORY BIRD CONSERVATION ACCOUNT/RECEIPTS

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
14,400	14,400	14,400	0	14,400	0	0

Program Description

The sale of duck stamps and receipts from refuge rights-of-way for oil, gas, and electric transmission lines are used to purchase waterfowl breeding, wintering, and migration habitat.

Recommendation

The Committee acknowledges the base funds; however, no appropriation is required. Under existing law, revenues collected from the sale of the duck stamp are spent entirely on wetland acquisition. The Committee strongly believes this procedure should be continued.

COMMITTEE VIEWS AND ESTIMATES

DEVELOPMENT AND OPERATION OF RECREATION FACILITIES

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
191	200	200	0	200	0	0

Program Description

Under existing authority the Service charges fees for some special recreation programs, facilities, or equipment on National Wildlife Refuges.

Recommendation

The Committee agrees with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

OPERATION & MAINTENANCE OF QUARTERS/QUARTERS RENTAL

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FRC 1987 BASE
1,500	1,500	1,600	+100	1,600	0	0

Program Description

The FY '85 Interior and Related Agencies Appropriation Act provided that all rents for the use occupancy of quarters be deposited in a special fund in each agency for the maintenance and operation of the quarters of that agency. The increase of $100,000 will cover anticipated rental increases.

Recommendation

The Committee agrees with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

CONTRIBUTED FUNDS

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
4,165	4,165	4,165	0	4,165	0	0

Program Description

A program to reduce sea lamprey populations in the Great Lakes to not more than 10 percent of the 1958-60 level in compliance with the purposes of the Great Lakes Fisheries Act of 1956.

Recommendation

The Committee agrees with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

COUNCIL ON ENVIRONMENTAL QUALITY

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
700	700	820	+120	700	-120	0

Program Description

The Council on Environmental Quality analyses important environmental conditions and trends; reviews and appraises Federal Government programs having impact upon the environment; recommends policies for protecting and improving the quality of the environment; assists in coordinating federal environmental programs which involve more than one agency; and assists in the preparation of the President's annual report to the Congress. The Administration's FY '87 request is an increase of $120,000 to ensure that the Council on Environmental Quality is capable of carrying out its legislatively mandated responsibilities.

Recommendation

The Committee does not favor the Administration's FY '87 requested increase of $120,000.

COMMITTEE VIEWS AND ESTIMATES

TITLE 1 OF THE SIKES ACT

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
1,603	1,800	2,040	+240	2,040	0	+240

Program Description

The Sikes Act provides for cooperative agreements between the Department of Defense, the U.S. Fish and Wildlife Service, and the state fish and game agencies for fish and wildlife management on military reservations. In addition to any amounts directly appropriated, proceeds from the sale of the fishing and hunting permits are used for these programs on 40 Army, 20 Navy and Marine Corps., and 38 Air Force bases charging such fees.

Recommendation

The Committee agrees with the Administration's request.

COMMITTEE VIEWS AND ESTIMATES

MARINE MAMMAL COMMISSION

(in thousands of dollars)

1986 ADJUSTED APPROP.	1987 BASE	1987 ADMIN. REQUEST	INC. (+) DEC. (-) FROM BASE	COMMITTEE REQUEST	COMMITTEE CHANGE FROM ADMIN.	COMMITTEE CHANGE FROM 1987 BASE
861	861	848	-13	848	0	-13

Program Description

The Commission coordinates marine mammal policy and programs; reviews the status of marine mammal populations; makes conservation recommendations; recommends to the Secretaries of Commerce, Interior, and State steps to conserve marine mammals domestically and internationally; and manages a research program. The FY '87 request is a $13,000 reduction.

Recommendation

The Committee agrees with the Administration's request.

MERCHANT MARINE AND FISHERIES COMMITTEE
SUBCOMMITTEE ON FISHERIES AND WILDLIFE CONSERVATION AND THE ENVIRONMENT
DEPARTMENT OF THE INTERIOR/U.S. FISH & WILDLIFE SERVICE
FY 87 BUDGET
(in thousands of dollars)

	FY 86 APPROP.	FY 86 ADJUSTED APPROP.	FY 87 ADMIN REQUEST	COMMITTEE RECOMMENDS	CMTE CHANGE FROM ADMIN REQUEST
I. RESOURCE MANAGEMENT (14-1611-1-0-1-303)	299,665	286,529	285,227	295,593	+10,466
A. HABITAT RESOURCES:	47,783	45,727	49,172	49,372	+300
1. Field Operations	22,305	21,345	23,167	23,367	+200
2. National Wetland Inventory	5,346	5,115	5,313	5,313	0
3. Research and Development	15,467	14,802	16,128	16,128	+100
4. Cooperative Units	4,665	4,465	4,564	4,564	0
B. WILDLIFE RESOURCES:	135,278	129,207	128,223	130,371	+2,148
1. Refuge Oper. & Maintenance	105,554	101,012	96,275	96,715	+440
2. Law Enforcement & Protection	10,254	9,562	9,708	9,708	0
3. Population Management	7,346	7,030	9,180	9,289	+109
4. Research and Development	11,150	10,671	13,060	13,685	+625
5. Alaska Subsistence	974	932	0	974	+974
C. FISHERY RESOURCES:	50,571	48,395	48,039	50,568	+2,529
1. Hatchery Oper. & Maintenance	26,347	25,213	23,861	25,691	+1,830
2. Lower Snake River	5,631	5,389	6,411	6,411	0
3. Refuge Oper. & Maintenance	2,164	2,071	2,148	2,548	+400
4. Law Enforcement & Protection	2,153	2,060	2,075	2,075	0
5 Population Management	2,149	2,057	2,285	2,435	+150
6. Research and Development	12,127	11,605	11,259	11,408	+149
D. ENDANGERED SPECIES:	30,294	28,991	23,160	28,649	+5,489
1. Listing	3,210	3,071	2,937	3,186	+249
2. Law Enforcement & Protection	8,648	8,276	7,240	7,240	0
3. Consultation	2,614	2,502	2,588	2,988	+400
4. Recovery	6,884	6,588	6,030	6,428	+398
5. Research and Development	4,545	4,350	4,365	4,414	+49
6. Cooperation with States	4,393	4,204	0	4,393	+4,393
E. GENERAL ADMINISTRATION:	35,739	34,209	36,633	36,633	0

	FY 86 APPROP.	FY 86 ADJUSTED APPROP.	FY 87 ADMIN REQUEST	COMMITTEE RECOMMENDS	CMTE CHANGE FROM ADMIN REQUEST
II. CONSTRUCTION AND ANADROMOUS FISH (14-1612-0-1-303)	21,168	20,258	3,113	3,613	+500
A. CONSTRUCTION AND REHABILITATION	19,180	18,355	3,113	3,113	0
1. Refuges	5,622	5,380	0	0	0
2. Hatcheries	4,827	4,619	0	0	0
3. Fishery research facilities	5,652	5,409	0	0	0
4. Dam safety	2,017	1,930	2,790	2,790	0
5. Wildlife research facilities	75	72	0	0	0
6. Capital Dev. & Adv. Planning	987	945	323	323	0
B. ANADROMOUS FISH	1,988	1,903	0	500	+500
III. LAND ACQUISITION (from LAND AND WATER CONSERVATION FUND) (14-5020-0-2-303)	40,426	38,688	1,500	20,850	+19,350
A. Acquisition Management	1,590	1,522	1,500	1,500	0
B. Federal Refuge Lands	38,836	37,166	0	19,350	+19,350
IV. NATIONAL WILDLIFE REFUGE FUND (Refuge Revenue Sharing)	12,651	12,107	12,685	20,185	+7,500
Receipts and Permits	7,040	6,737	7,040	7,040	0
Appropriations	5,611	5,370	5,645	13,145	+7,500
V. MIGRATORY BIRD CONSERVATION ACCOUNT	29,310	28,723	16,500	24,961	+8,461
WETLAND LOAN FUND ADVANCE (14-5137-0-2-303)	14,910	14,323	0	10,561	+10,561
Receipts from "Duck Stamp"	14,400	14,400	16,500	14,400	-2,100
VI. MISCELLANEOUS PERMANENT APPROPRIATIONS (14-9923-0-2-303)	242,996	232,548	256,465	256,465	0
A. FEDERAL AID-FISH RESTORATION (W-B)	122,167	116,914	161,465	161,465	0
B. FEDERAL AID-WILDLIFE RESTORATION (P-R)	120,829	115,634	95,000	95,000	0
VII. CONTRIBUTED FUNDS (14-8216-0-7-303)	4,165	4,165	4,165	4,165	0
A. Sea Lamprey Control	3,841	3,841	3,841	3,841	0
B. Other Contributed Funds	324	324	324	324	0

THURSDAY, APRIL 17, 1986.

APPALACHIAN TRAIL

WITNESS

HON. JIM OLIN, VIRGINIA

Mr. YATES. Mr. Olin.

Hi, Mr. Olin. We are glad to have you before us. Your statement may go into the record at this point.

Mr. OLIN. Thank you. I have submitted a statement. I appreciate the opportunity to testify. I will just summarize briefly.

I am here to support funding for continued land acquisition for the Appalachian Trail.

Mr. YATES. Good for you.

Mr. OLIN. I want to say before getting into it, this is a small amount of money. I would not intend to miss the Gramm-Rudman commitment because of this, but I think some way can be found to work it out.

Mr. YATES. We sidestep it on occasion. As you know, with the Appalachian Trail, it is very close to the hearts of members of this committee, and we appreciate what you are telling us.

Mr. OLIN. The trail is a 2,100 mile foot path. A lot of forest of the trail is in the State of Virginia. It attracts hikers from all over the country. It is a real national activity.

It goes through 14 states. Since the National Trail Systems Act was enacted in 1968, there has been a gradual effort to acquire land, Federal land, from private and states, and so——

Mr. YATES. We have been putting money in every year. How much money do you want us to put in?

Mr. OLIN. Last year, it was $6.9 million for the Park Service and $700,000 for the Forest Service. The Trail Commission—private people that more or less manage the trail—would like to have $7 million for the National Park Service and a little more money for the Forest Service, $1.5 million.

I don't know whether that can be accommodated.

Mr. YATES. We will look at it. I think it is a wonderful recreational facility.

Mr. OLIN. This would allow the acquisition of 7,220 acres in ten States by the Park Service. That is Maine, New Hampshire, Vermont, Connecticut, Massachusettes, New Jersey, New York, Pennsylvania, Virginia, and West Virginia.

The Forest Service acquisition would purchase land in New Hampshire, Vermont, Virginia, North Carolina, Tennessee, and Georgia.

These are small sections that are not in the hands of the National Government. It is important they be, because the trail needs to be maintained. We use a lot of volunteers for that and it is important to have control of the land, as you well know.

The amount of money—if you appropriate the same amount as last year, the minimum would provide for 60 more miles to be completed.

There is a total now of 200—it is about 253 miles of that trail still in private land where we are there by just good will of the people.

This would knock off 60 miles of that 250 or about a quarter of it. So, if we can keep our funding up here for a few more years, three or four years, finally the trail will be totally collected and can be managed in the interest of all our people.

I hope the committee can put a little money in there for this purpose.

Mr. YATES. Thank you.

[The statement of Hon. Jim Olin follows:]

STATEMENT OF CONGRESSMAN JIM OLIN

before the Subcommittee on Interior, House Appropriations Committee

April 17, 1985

Mr. Chairman, members of the subcommittee, I appreciate the opportunity to be here today in support of funding for land acquisition for the Appalachian Trail.

However, before I list some reasons why we should continue our efforts to complete the Trail, let me emphasize that I voted for Gramm-Rudman-Hollings, that I continue to support Gramm-Rudman-Hollings and that I believe we can make Gramm-Rudman-Hollings work if we are really committed to it. Therefore, what I am supporting today is not a budget-busting item. I will not vote for increases in funding, but I am convinced that we can continue to fund land acquisitions without violating our commitment to balance the budget.

The Appalachian Trail is a 2,100-mile footpath stretching from Maine to Georgia through the Appalachian mountain chain. About one-fourth of that mileage, more than 540 miles, lies in Virginia. The Trail attracts hikers from throughout the United States and around the world. It truly is a treasure of national scope, not just a regional property shared by the 14 states through which it winds.

Since the National Trails System Act was enacted in 1968, giving the authority to purchase a permanent right-of-way for the Appalachian Trail, acquisition of land has been gradual.

With persistent effort, 88 percent of the trail is now permanently protected -- held either by the National Park Service, the U.S. Forest Service or the states. Just over 253 miles of the Trail now remain unprotected.

For the current fiscal year, Congress appropriated $6.9 million to the National Park Service and $700,000 to the Forest Service for land acquisition. I would encourage your subcommittee to recommend similar levels of funding for FY '87. The Appalachian Trail Conference indicates that a $7 million appropriation would allow the Park Service to acquire some 7,220 acres in Maine, New Hampshire, Vermont, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Virginia and West Virginia. The Conference has suggested that the Forest Service be appropriated $1.5 million to purchase land in New Hampshire, Vermont, Virginia, North Carolina, Tennessee and Georgia. The increase in funding for the Forest Service, as the Trail Conference has proposed, may not be possible given the feeling of many of us that funding levels ought to be held constant. But even continuing the Forest Service's '86 level for '87 would allow acquisitions to go forward.

One of the most striking features about the management of the Appalachian Trail is the commitment of a large group of volunteers. The work they do in construction and maintenance of trails and shelters and their contributions through visitor education programs are resources valued at more than $1 million a year -- a significant savings to the federal government and a public involvement that should not be overlooked.

Again, I ask for your careful consideration of funding for land acquisition for the Appalachian Trail. In my brief comments to your subcommittee last year on this subject, I noted that the goal of completing these purchases is in sight. It is even closer now because Congress last year rejected the Administration's position not to fund further acquisitions and made the money available.

A similar action this year, approving the reasonable funding suggested by the Appalachian Trail Conference, would add another 60 miles and reduce the unprotected portion of the Trail by about 25 percent. Three or four years of steady, prudent appropriations would complete the purchases. The Trail should be finished.

Thank you for your consideration.

THURSDAY, APRIL 17, 1986.

SANTA MONICA NRA

WITNESS

HON. ANTHONY C. BEILENSON, CALIFORNIA

Mr. YATES. Mr. Beilenson.

Mr. BEILENSON. Thank you, Mr. Chairman.

Mr. YATES. We are glad to have you.

Mr. BEILENSON. I hope so, sir.

Mr. YATES. We are. You know we are.

By some chance, are you testifying on Santa Monica this morning?

Mr. BEILENSON. Yes, sir. But if you would like to start somewhere else, I would be happy to do it. It is a very good cause. We have a longer statement than usual. We have submitted it. It is longer than it usually is because we wanted to outline a number of things for you which I am sure you will get a chance to look at.

I appreciate the chance to testify. We greatly appreciate your support in the past for the park. You have been principally responsible for seeing to it it has been building.

We hope you can provide some funding for us in the coming fiscal year. The Park Service now owns over 11,000 acres there in the area. It is a good start, but the acquisition program has a way to go.

It is about one-third complete, but when it was first established, we had hoped by two years ago—fiscal year 1985—we would have completed the acquisitions.

Through no fault of the Congress, of course, because the President's budget simply has not included any money whatsoever for it in the past five years, we haven't, obviously, kept up with that timetable.

Listed in our prepared statement, Mr. Chairman, are the properties that the Park Service has acquired with the monies you so kindly made available for us just a few months ago.

Almost half of the fiscal year 1986 funds were proposed for rescission, but thanks to the subcommittee's rejection of that proposal those funds should soon be available.

They will be used to purchase property in the heart of the recreation area the Park Service hopes to use for its headquarters and for a major activities site.

We also listed in our seven-page statement a list of the properties the Park Service we would like to acquire and could acquire next year if sufficient funding were provided.

All of those sums, all of those properties, add up to an amount that is undoubtedly far in excess of what the Congress could possibly appropriate this year for this particular park, but we wanted to give you some idea of the remaining needs and where the Service has been looking and working and what it has in mind to assure you there is a large, unmet need.

We are on top of the problems. The Park Superintendent there is an excellent chap, and those are the unmet needs. Obviously, they can't all be met this year.

As always, we have the situation where several of these better properties could, if you don't acquire them in the relatively near future, will be turned into residential development if we don't acquire them relatively soon, so the need for funding is not only great, but it remains, as always in these particular areas, urgent.

We also bring to your attention a couple of related items, one of which you know a lot about. That is the proposed closing of the Santa Monica's Land Acquisition Office. The other is the reduction in funding for operations and maintenance of the park.

We do, as we discussed on other occasions, really need to keep, if at all possible, the on-site acquisition office.

If that function is moved to San Francisco, as Mr. Chapman proposes to do, I think there is just no way in the world the Service is going to be able to continue to do the really excellent kind of on-site work that they have been able to in the past in terms of acquiring properties, talking to the more than 3,000 land owners in the area, if you have to send one person down at a time from San Francisco, and there are no people there on the ground on the site at that time.

The other item, very briefly, Mr. Chairman, I wanted to bring to your attention is Santa Monica's operation and maintenance budget has been reduced from over $2 million to $1.8 million last year, and they propose to keep it at this level this year.

Part of that, of course, is due to the necessary across-the-board cuts, but they have gone beyond that particular area, and it is simply not sufficient at this point for a park which has been growing in size, growing in visitors.

We had over half a million last year, and we wanted to bring this to your attention. Any help you can give us in that area will be much appreciated.

Mr. YATES. We will do everything we can.

Mr. BEILENSON. Finally, again, as I have said in the past, we know the land is expensive, but it is really a terribly worthwhile development. It is within a one-hour's drive of where ten million people live.

Los Angeles County has begun to grow after ten or 15 years where it didn't——

Mr. YATES. Is that good or bad?

Mr. BEILENSON. Bad, I think. It is no good.

Anyway, we—as I said at the outset—appreciate what you have been able to do for us and we appreciate anything you continue to do for us.

Mr. YATES. We appreciate your annual visit very much.

Mr. BEILENSON. It is nice to see you.

Mr. YATES. We look forward to seeing you again next year

[The statement of Hon. Anthony C. Beilenson follows:]

STATEMENT OF CONGRESSMAN ANTHONY C. BEILENSON
BEFORE THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
OF THE HOUSE COMMITTEE ON APPROPRIATIONS
APRIL 17, 1986

Mr. Chairman, I appreciate the opportunity to testify before your subcommittee in support of funding for the Santa Monica Mountains National Recreation Area (NRA), which is located partially in the congressional district I represent. We very much appreciate the support that this subcommittee has provided for this park in the past, and we hope that you will recommend funding for FY 87 to continue the land acquisition program there.

The Reagan Administration has, once again, recommended no funding at all for land acquisition in the Santa Monicas for next year. The administration's policy toward this park is shortsighted because, in the long run, it is going to cost the government more if land purchases are delayed than if we can finish buying the land within the next few years.

The land acquisition program, which should have been completed two years ago under the timetable contained in the park's 1978 enabling legislation, is now only one-third complete. Still, with the relatively modest amount of funding Congress has appropriated in the past few years, the National Park Service (NPS) now owns more than 11,000 acres of prime park land there and has thus made an excellent start toward fulfilling its acquisition goals.

With the funds appropriated for FY 86, the Park Service has acquired a number of properties in Zuma and Trancas Canyons. These adjoining coastal canyons contain rare and valuable wildlife and are among the most ecologically significant areas of the entire park. The two major trails that link the park from east to west and north to south run through this area, and thus completing acquisition there is an important step in linking the public lands throughout the park.

The most important FY 86 acquisition in Zuma Canyon was a 1,530 acre parcel which was purchased jointly with the state's land acquisition agency, the Santa Monica Mountains Conservancy. The Park Service spent $2 million on the property while the state spent $6 million--$8 million altogether on land which had been privately appraised at between $12 and $14 million.

Other properties acquired with FY 86 funds include six parcels that NPS had classified as hardship cases, and two properties which were under immediate threat of development. These parcels, mostly within the Zuma and Trancas Canyons areas, amounted to 244 acres, and were purchased for a total of $1.5 million.

The final $3.5 million, which the Park Service had set aside to acquire the 272-acre Quaker Corporation property in Las Virgenes Valley, is on hold because those funds were proposed for rescission by the Administration. We appreciate this subcommittee's rejection of that rescission and, now that the 45-legislative-day rescission period has expired, we hope that acquisition of the Quaker property will proceed. The Quaker property is extremely important because it is located in the heart of the recreation area and NPS would like to use it, in conjunction with an adjoining property, as headquarters and a major activity site for the park.

Following is a list of other properties NPS would like to acquire, if funds were made available:

--Hardship properties in priority areas, mostly Zuma and Trancas canyons. These are small properties that the Park Service wants; their financially hard-pressed owners have been waiting patiently for years to sell to the Park Service. Estimated cost: $1 million.

--The Claretteville property. This 214-acre tract is the other Las Virgenes Valley property which, together with the Quaker parcel, would be the site of joint state and national park headquarters, a major visitor center, a museum, a hostel, and a research center. Once the home of the powerful industrialist King Gillette, Claretteville already has structures which could be adapted for these purposes. Estimated cost: $13 million.

--Solstice Canyon, which provides easy access to the beach from the mountains and would be a magnificent area for hiking and picnicking. The Santa Monica Mountains Conservancy has already purchased the southern portion of the parcel; federal purchase of the northern portion (345 acres) will complete the acquisition. Because of its excellent development potential, Solstice Canyon is likely to become a residential development if NPS does not acquire it soon. Estimated cost: $8.7 million.

--Additional properties in Zuma and Trancas Canyons. Another 1,738 acres of undeveloped land in this area is immediately available to NPS. Estimated cost: $8.7 million.

--Medea Valley. Purchase of 314 acres located adjacent to land now owned by NPS would allow expansion of the existing visitor uses in this area and would provide a critical link in the major north-south trail in the mountains. Estimated cost: $7.5 million.

--Peter Strauss Ranch. Now owned by the Santa Monica Mountains Conservancy, this area is used for a variety of outdoor activities including cultural performances and art exhibitions. NPS has planned to reimburse the Conservancy for a portion of the acquisition costs and to assume management of the site. Estimated cost: $690,000.

--Hernandez Bowl, located in Topanga Canyon, which would provide an important link in the Backbone Trail corridor. Estimated cost: $250,000.

We realize that the above-mentioned properties add up to a sum far in excess of what we can realistically hope for Congress to appropriate in one year, especially given the budget constraints we are operating under this year. But we have listed them to make you aware of the needs of the park and of the urgency of appropriating the highest amount of funding possible for it.

The cost of land there is, admittedly, expensive. But as I mentioned earlier, the federal government will spend far more in the Santa Monicas in the long run if land purchases there are delayed than if enough funding is made available in the next few years to complete the Park Service's land acquisition program. Because of tremendous pressures for development in the Los

Angeles area, the cost of land in the Santa Monicas continues to escalate. If we delay purchasing the land, we will end up spending more for it later--and we will get less of it.

In addition to land acquisition funding, I would also like to ask for the subcommittee's help in two related matters: one, retaining an on-site land acquisition office in the Santa Monicas and, two, maintaining adequate funding for operations and maintenance (O & M) there.

Earlier this year, NPS announced its intention to close the Santa Monica's on-site acquisition office and transfer its duties to NPS' western regional office. This move has not yet taken place, but if NPS goes ahead with it, the Santa Monica's land acquisition program will be severely damaged.

Without the presence of a lands office in the Santa Monicas, it is likely that purchases will be delayed (and perhaps lost altogether), opportunities for acquisitions at good prices will be missed, and relationships between the 3,000 private landowners and NPS will deteriorate. The move has been proposed as a cost-cutting measure, but it will certainly be expensive paying for the travel and lodging for land acquisition officers who will have to travel back and forth between San Francisco and Los Angeles to conduct land transactions. And, without local land officers, NPS will probably not be able to spend the time and resources soliciting donations or bargain properties which it has had a good deal of success in doing.

We hope, therefore, that this subcommittee will take action to ensure that the Santa Monica Mountains NRA retains its on-site land acquisition office.

The Administration has also proposed reducing the Santa Monica's O & M funding for FY 87. In FY 85, the Santa Monicas O & M budget was a little over $2 million; in FY 86, it is only $1.8 million, which is the same amount proposed for FY 87. Part of the FY 86 reduction is due to budget cuts that have been applied to parks across the board, but most is due to NPS' transfer of Santa Monicas O & M funding to other Western region parks, which I understand was done without obtaining this subcommittee's permission to reprogram these funds.

The FY 85 O & M budget was relatively modest to begin with, given that that NPS now owns more than 11,000 acres of land there. But reducing that budget at a time when both its maintenance responsibilities and its visitor demands are increasing is devastating. It is hindering the NPS' ability to adequately maintain its lands and to provide the kinds of services that the public should receive at a national park. Therefore, we hope that this subcommittee will raise the O & M funding to a level which will allow NPS to provide adequate services at the Santa Monica Mountains NRA in FY 1987.

There are two final points I would like to make about the Santa Monicas. I have discussed them before, so I will briefly summarize them.

First, buying land in the Santa Monicas is cost-effective for the federal government. The land there is particularly prone to fires, floods, and mudslides and, if it is developed instead of set aside as a park, we are almost certain to be paying exhorbitant amounts in federal disaster relief for the increasing number of homeowners there who become victims of natural disasters. In the long run, the federal government could easily end up paying more in disaster aid--with no public benefit resulting--than if we purchase land there, now, for the park.

Second, this park has the potential to be the most frequently visited unit of the entire National Park System. Already, with the park only one-third complete, it attracts half a million visitors a year. The mild climate of Southern California and the proximity of the park to more than ten million people who live within an hour's drive invite steady usage throughout the entire year. In terms of providing outdoor recreational opportunities for the greatest number of people now and in the future, there is probably no better use of Park Service funds than the continued acquisition of park land in the Santa Monicas.

We very much appreciate your past assistance in making funding available for the Santa Monica Mountains National Recreation Area, and we hope that this project will continue to have your strong support. Thank you, again, for the opportunity to testify and for your consideration of this request.

THURSDAY, APRIL 17, 1986.

CHANNEL ISLANDS NATIONAL PARK

WITNESS

HON. ROBERT J. LAGOMARSINO, CALIFORNIA

Mr. YATES. Mr. Lagomarsino, Mr. Atkins, Mr. Burton, Mr. Lowery, Mr. Oberstar, Mr. Alexander, Ms. Byron—the comittee will wait.

Mr. Lagomarsino, your statement may be made part of the record. Proceed.

Mr. LAGOMARSINO. I appreciate the opportunity to appear before you to express my strong support for land acquisition funding for the Channel Islands National Park which is in my district, as you know.

Have you been to the Islands?

Mr. YATES. Yes, a beautiful area.

Mr. LAGOMARSINO. The legislation that established that park stipulated those privately held properties, the eastern end of Santa Cruz Islands, and about 6,000 acres and all of Santa Rosa Island, be acquired as expeditiously as possible.

And, as you know, I have come before you many times now asking for funding, and we appreciate the sum of $33 million that has been appropriated to date.

Congress provided $15 million last year in the supplemental, and that, combined with previous appropriations, has been enough for the Park Service to obtain an agreement which is just about completed on the acquisition of Santa Rosa.

Santa Cruz remains to be done. An appraisal remains to be performed there, but we think that it will take about $15 million plus what will be available from what is left over from acquisition of Santa Rosa.

Last year during his visit to the Park, Secretary Hodel publicly and strongly endorsed completion of acquisition there, as did Park Service Director Mott.

There are several problems. One is overcrowding on Anacapa Island, which is now owned by the Federal Government. Camping and visitation is allowed there. It is overused.

We also are concerned about protection of the unique natural scenic and ecological resources on Santa Cruz Island, and perhaps as important as anything else—and I have mentioned this before—nothing new on this and certainly not unique to this area, and that is the hardship that could be imposed.

There has been some hardship on the owners already. They have been unable to do anything else with their land. Whether they would have been able to or not is conjecture. They have been prevented from even considering anything due to the fact it is now a national park.

One of the owners—in fact several of the owners—of Santa Cruz are elderly and not in very good health. As you know, under our state tax laws, should one of them die, this being a substantial part of their estate, there would be tax problems. They would have nine months in which to pay the state tax. They might not have the means to do it, and you start paying interest even though we have not come through with what they thought we would do.

As a matter of fact, going back to formation of the park, the owners, although I can't say they were enthusiastic about the idea of creating a national park, did at least reluctantly support it, and based pretty much on the idea they would be compensated and would at least be made whole.

I would, Mr. Chairman, urge the committee to do what you can in view of the tough circumstances.

Mr. YATES. Gramm-Rudman has put a heavy weight on us.

Mr. LAGOMARSINO. There will be, I am sure, some appropriations. I would just hope we will be considered when that decision is made.

Also Santa Rosa, as I said, will be acquired probably fairly soon. The Park Service, I understand, has asked for money for operation of that. I believe the amount of money they are asking for is about $300,000 a year and two additional employees.

I would ask consideration be given to that request.

On another subject, but one that is related, I would like to comment very briefly on the question of the OCS drilling moratorium.

I think the committee—and I don't agree with all my colleagues on this—but I think the committee was correct in declining to review the moratorium on the California OCS.

The area I represent, which does encompass the Santa Barbara Channel, has been very extensively leased.

I was right on the coast myself, and I can see the drilling platforms out there. There is quite a few of them, more being put in.

One of the things that concerns me about a moratorium—two things; one is the national interest. I think that although oil prices are going down now, that if the OPEC nations are able to do what I think they have in mind—namely, to get us on the hook again—we might be wiggling a lot on that hook.

I don't think this is any time to give up on the idea of protecting ourselves against that.

And secondly——

Mr. YATES. That is why we are putting money into the petroleum reserve, to help in that respect.

Mr. LAGOMARSINO. Sure.

Another thing—and this would be probably unique with me as compared to the other localities—if other areas remain off limits, there are only a few places that will be on limits, and one of those is the Santa Barbara Channel. I think we have done our share——

Mr. YATES. You don't want a forest of drilling rigs. We don't want a forest of drilling rigs. I don't know how realistic a fear of that is, but I think to the extent that areas are available and pay off, sure, and that other areas aren't going to do that from that standpoint alone and from the standpoint of what might happen to the several areas that have been placed off limits in the Santa Barbara Channel.

Mr. LAGOMARSINO. There are six miles around the islands that are off limits, as I think they should be.

As a matter of fact, I carried the bill to the California State Legislature that put a three-mile state limit drilling prohibition around the Channel Islands, and that was signed into law by then-governor Reagan, as a matter of fact.

There is a sanctuary off of Santa Barbara and there is a buffer zone off that. And the Secretary of the Interior, Mr. Hodel, has stated that there is no intent to drill there.

He has placed that off limits. If we get to the situation where that is the only place, there would be, presumably, a lot of pressure, perhaps, to open up some of those areas.

So from that standpoint, and from the standpoint of our national security, as I say, I think that doing that makes sense.

Mr. YATES. Thank you very much.

[The statement of Hon. Robert J. Lagomarsino follows:]

TESTIMONY OF
REP. ROBERT J. LAGOMARSINO
BEFORE THE SUBCOMMITTEE ON THE INTERIOR
OF THE COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES
APRIL 17, 1986

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO EXPRESS MY STRONG SUPPORT FOR LAND ACQUISITION FUNDING FOR THE CHANNEL ISLANDS NATIONAL PARK, LOCATED IN MY CONGRESSIONAL DISTRICT IN CALIFORNIA.

ESTABLISHED MARCH 5, 1980 BY P.L. 96-199, LEGISLATION I AUTHORED, CHANNEL ISLANDS BECAME THIS NATION'S 40TH NATIONAL PARK - AN HONOR BESTOWED ON ONLY 48 OF THIS COUNTRY'S MOST MAGNIFICENT AND UNIQUE NATURAL TREASURES. THE FIVE ISLANDS THAT COMPRISE THE PARK LIE OFF THE SOUTHERN CALIFORNIA COAST AND ARE ACCESSIBLE TO LARGE NUMBERS OF VISITORS. OF THE FIVE ISLANDS, ONLY TWO - SANTA CRUZ AND SANTA ROSA - ARE PRIVATELY OWNED AND DESIGNATED FOR ACQUISITION BY THE FEDERAL GOVERNMENT. THE 53,000 ACRE SANTA ROSA ISLAND IS OWNED BY VAIL & VICKERS CATTLE COMPANY, WHICH OPERATES A CATTLE RANCH ON THE ISLAND. THE 6,400 ACRE PARCEL ON EAST SANTA CRUZ ISLAND - COMPRISING ABOUT 10 PERCENT OF THAT ISLAND - IS OWNED BY THE GHERINI FAMILY OF VENTURA AND SANTA BARBARA COUNTIES.

THE LEGISLATION ESTABLISHING THE CHANNEL ISLANDS PARK STIPULATED THAT THESE PRIVATELY-OWNED PROPERTIES BE ACQUIRED "AS EXPEDITIOUSLY AS POSSIBLE" AND AUTHORIZED LAND AND WATER CONSERVATION FUNDS FOR THEIR ACQUISITION. SIX YEARS HAVE

PASSED, AND I AM PLEASED THAT PROGRESS HAS BEEN MADE TOWARD THE ACQUISITION OF THESE PARCELS, WHICH CONSTITUTE OVER HALF OF THE NATIONAL PARK. HOWEVER, ADDITIONAL FUNDING IS STILL NEEDED TO MEET OUR ACQUISITION GOALS FOR THE PARK.

MR. CHAIRMAN, I HAVE COME BEFORE YOUR COMMITTEE FOR SEVERAL YEARS TO REQUEST ACQUISITION FUNDING FOR THE CHANNEL ISLANDS NATIONAL PARK. TO DATE, APPROXIMATELY $33 MILLION HAS BEEN APPROPRIATED. AS I STATED IN MY TESTIMONY LAST YEAR, WE WERE READY AT THAT TIME TO MOVE FORWARD ON THE PURCHASE OF THE PROPERTIES. THE NATIONAL PARK SERVICE HAD COMPLETED THE PARK GENERAL MANAGEMENT PLAN AND THE LAND PROTECTION/ACQUISITION PLAN FOR THE CHANNEL ISLANDS. IN ADDITION, THE LAND APPRAISALS OF BOTH PROPERTIES WERE COMPLETED AND UNDER REVIEW BY NATIONAL PARK SERVICE OFFICIALS. AS A RESULT OF THIS PROGRESS, CONGRESS PROVIDED $15 MILLION IN THE FISCAL YEAR 1985 SUPPLEMENTAL APPROPRIATIONS BILL WHICH, WHEN COMBINED WITH PREVIOUS APPROPRIATIONS, ENABLED THE PARK SERVICE TO EXTEND A PURCHASE OFFER TO THE OWNERS OF SANTA ROSA ISLAND. AS YOU WILL RECALL, THE AUTHORIZING LEGISLATION REQUIRED THAT THE SANTA ROSA PROPERTY BE ACQUIRED FIRST.

I HAVE BEEN INFORMED BY THE PARK SERVICE THAT THE OWNERS OF SANTA ROSA ARE CURRENTLY REVIEWING THEIR RETENTION ALTERNATIVES AND A FINAL PURCHASE AGREEMENT SHOULD BE REACHED IN THE VERY NEAR FUTURE. THE PURCHASE OF SANTA ROSA ISLAND WILL PROVIDE PUBLIC ACCESS TO A VITAL PART OF THIS NATIONAL PARK AND COMPLETE NEARLY 90 PERCENT OF THE TOTAL PLANNED ACQUISITION. THEREFORE, I THANK YOU MR. CHAIRMAN, FOR YOUR PREVIOUS ASSISTANCE IN PROVIDING FUNDS FOR THIS MAJOR ACQUISITION.

I AM EXTREMELY PLEASED WITH THE PROGRESS WE HAVE MADE TOWARD COMPLETING THE ACQUISITION OF THE PRIVATE PROPERTIES WITHIN CHANNEL ISLANDS NATIONAL PARK. HOWEVER, IT IS IMPERATIVE THAT WE PRESS ON. VISITATIONS TO THE CHANNEL ISLANDS NATIONAL PARK VISITORS CENTER EXCEEDED 165,000 PEOPLE LAST YEAR AND ARE EXPECTED TO SIGNIFICANTLY INCREASE IN THE NEXT SEVERAL YEARS. THE PARK ITSELF RECEIVED APPROXIMATELY 400,000 VISITORS LAST YEAR, WHICH IS ALSO EXPECTED TO INCREASE DRAMATICALLY IN FUTURE YEARS AS THE POPULATION IN SOUTHERN CALIFORNIA CONTINUES TO GROW AND RECREATION NEEDS EXPAND. CONSEQUENTLY, ANACAPA ISLAND, THE PRIMARY ISLAND PRESENTLY AVAILABLE TO THE PUBLIC, IS SUFFERING GREATLY FROM VISITOR OVERUSE. WHILE THE ACQUISITION OF SANTA ROSA ISLAND WILL ASSIST IN RELIEVING THE STRAIN ON ANACAPA ISLAND, THE PARK SERVICE STRONGLY SUPPORTS ACQUISITION OF THE SANTA CRUZ PROPERTY IN THE NEAR FUTURE TO ALLOW PUBLIC ACCESS TO THIS AREA AS WELL. IT IS EXPECTED THAT VISITOR USE ON EASTERN SANTA CRUZ WILL BE RELATIVELY HIGH SINCE THE ISLAND IS CLOSE TO THE MAINLAND AND WILL BE EASIER TO PROVIDE ACCESS. CONSEQUENTLY, DURING HIS VISIT TO THE CHANNEL ISLANDS LAST YEAR, SECRETARY HODEL PUBLICLY STATED THE DEPARTMENT OF INTERIOR'S STRONG COMMITMENT TO COMPLETION OF THIS PARK. NATIONAL PARK SERVICE DIRECTOR MOTT HAS ALSO STATED HIS STRONG SUPPORT FOR COMPLETING THE ACQUISITIONS AT CHANNEL ISLANDS AND OPENING THESE AREAS OF THE PARK TO THE PUBLIC.

MR. CHAIRMAN, IT IS IMPERATIVE THAT WE MOVE FORWARD ON ACQUISITION OF THE SANTA CRUZ PROPERTY FOR SEVERAL IMPORTANT REASONS. IN ADDITION TO THE PROBLEM OF OVERUSE OF ANACAPA ISLAND, I BELIEVE IT IS CRITICAL THAT PROTECTIONS BE PROVIDED FOR THE UNIQUE NATURAL, SCENIC, ECOLOGICAL AND CULTURAL RESOURCES OF SANTA CRUZ ISLAND. THESE RANGE FROM MAGNIFICENT CANYONS AND FORESTS TO BEAUTIFUL BEACHES TO HISTORIC RANCH FACILITIES. IN ADDITION, THE LOCAL COASTAL PLAN IDENTIFIES SCORPION VALLEY ON EAST SANTA CRUZ AS AN ENVIRONMENTALLY SENSITIVE HABITAT AREA.

MOREOVER, WE MUST DEAL WITH THE AFFECTED LANDOWNERS EQUITABLY. THEY WERE AWARE OF THE PUBLIC CONCERN FOR THE FUTURE OF THE ISLANDS, AND GENERALLY SUPPORTED THE PARK LEGISLATION WITH THE UNDERSTANDING THAT ACQUISITION WOULD BE RAPID, WHICH WAS ALSO THE INTENT OF CONGRESS. HOWEVER, THIS DELAY IN FUNDING HAS IMPOSED A SEVERE HARDSHIP ON THE PRESENT PRIVATE OWNERS WHO ARE SUBSTANTIALLY RESTRICTED ON ALTERNATIVE USES OF THE LAND. WE HAVE, IN EFFECT, TIED UP THEIR PROPERTY FOR SIX YEARS WITHOUT JUST COMPENSATION. I THEREFORE BELIEVE IT IS UNWISE, INEQUITABLE, AND UNFAIR TO FURTHER DELAY ACQUISITION FUNDING FOR THE SANTA CRUZ PROPERTY.

ONE PARTICULARLY IMPORTANT PROBLEM ASSOCIATED WITH THE SANTA CRUZ PROPERTY INVOLVES ESTATE TAXES. THE LAND OWNERS ARE QUITE ELDERLY AND IN POOR HEALTH. SHOULD ONE OF THEM DIE BEFORE THE LAND IS ACQUIRED, A SUBSTANTIAL TAX WILL BE LEVIED ON THE ESTATE. ALTHOUGH THE LANDOWNERS ARE "LAND-RICH", IT WOULD BE DIFFICULT, IF NOT IMPOSSIBLE, FOR THEM TO MEET THIS ESTATE TAX OBLIGATION.

UNFORTUNATELY, PROBLEMS WITH THE PREVIOUS APPRAISAL FOR THE SANTA CRUZ PROPERTY RENDERED IT INADEQUATE. HOWEVER, THE PARK SERVICE IS CURRENTLY IN THE PROCESS OF CONTRACTING FOR A NEW APPRAISAL, WHICH IS EXPECTED TO BE COMPLETED BY EARLY FALL, AT THE BEGINNING OF FISCAL YEAR 1987.

IN RECOGNITION OF THE PROBLEMS ASSOCIATED WITH FURTHER DELAYS IN ACQUISITION, I AM REQUESTING $15 MILLION - THE ESTIMATED AMOUNT NEEDED TO FULLY PURCHASE THE SANTA CRUZ PROPERTY WHEN COMBINED WITH PREVIOUS APPROPRIATIONS THAT ARE EXPECTED TO REMAIN UNEXPENDED AFTER THE PURCHASE OF SANTA ROSA ISLAND. WHILE I RECOGNIZE THE CURRENT FISCAL CONSTRAINTS ON GOVERNMENT SPENDING, I DO NOT FEEL THIS AN UNREASONABLE AMOUNT. IN FACT, AS YOU ARE PROBABLY AWARE, THE CONSERVATION ALTERNATIVE FOR THE LAND AND WATER CONSERVATION FUND, DEVELOPED BY TWELVE MAJOR ENVIRONMENTAL ORGANIZATIONS, RECOMMENDED NEARLY THE SAME LEVEL OF FUNDING FOR CHANNEL ISLANDS FOR 1987. I MIGHT ADD THAT FURTHER DELAYS IN THE PURCHASE OF THE PROPERTY WILL SUBSTANTIALLY INCREASE THE COST TO THE GOVERNMENT, SINCE THE LAND VALUES WILL UNDOUBTEDLY RISE. PHASED ACQUISITION OVER AN EXTENDED PERIOD WOULD ALSO INCREASE THE COST TO THE FEDERAL GOVERNMENT, ALTHOUGH THE LANDOWNERS ARE AGREEABLE TO THIS APPROACH IF THE FULL PURCHASE AMOUNT IS NOT APPROPRIATED.

FURTHERMORE, I WOULD LIKE TO ASK THE COMMITTEE TO GRANT CONSIDERATION TO THE CHANNEL ISLANDS NATIONAL PARK REQUEST FOR ADDITIONAL FUNDING FOR OPERATIONS AND MANAGEMENT WHICH WILL BE NEEDED UPON COMPLETION OF THE SANTA ROSA ISLAND ACQUISITION. I HAVE BEEN INFORMED BY PARK SERVICE OFFICIALS THAT APPROXIMATELY

$300,000 PER YEAR AND 2 ADDITIONAL EMPLOYEES WILL BE NEEDED TO BEGIN OPERATIONS AND MANAGEMENT ON SANTA ROSA, AS WELL AS INITIATE PROTECTION OF THE SIGNIFICANT BIOLOGICAL RESOURCES. AS YOU KNOW, MR. CHAIRMAN, OPERATING AND MANAGING THESE NEW AREAS WITHIN THE PARK ARE IMPORTANT RESPONSIBILITIES WHICH THE PARK'S MANAGERS MUST UNDERTAKE; HOWEVER, IN ORDER FOR THEM TO MEET THESE RESPONSIBILITIES, ADEQUATE FUNDING MUST BE PROVIDED. THEREFORE, YOUR CONSIDERATION OF THIS REQUEST IS APPRECIATED.

I WOULD ALSO LIKE TO EXPRESS MY CONCERN ABOUT THE THREATENED REPROGRAMMING OR TRANSFER OF FUNDS PREVIOUSLY SET ASIDE FOR THE PURCHASE OF THE CHANNEL ISLANDS PROPERTIES. AS YOU KNOW, MR. CHAIRMAN, FUNDING WAS TRANSFERRED FROM THE LAND ACQUISITION ACCOUNT IN 1985 TO THE BUREAU OF LAND MANAGEMENT (BLM) TO COVER FIRE SUPPRESSION EXPENSES. UNFORTUNATELY, THE ADMINISTRATION HAD INDICATED AT THAT TIME THAT THE MONEY WOULD NOT BE REPAID AND THE LAND ACQUISITION ACCOUNTS FROM WHICH IT WAS TAKEN HAD TO BE IDENTIFIED. I HAD EVERY INDICATION THAT THE CHANNEL ISLANDS APPROPRIATIONS WERE BEING STRONGLY CONSIDERED AS A CANDIDATE FOR THE TRANSFER. THANKS TO YOUR EFFORTS, AND THOSE OF OTHER MEMBERS, THE FUNDS WERE REPAID. HOWEVER, I AM CONCERNED ABOUT SUCH TRANSFERS IN THE FUTURE. IT IS CRUCIAL THAT THIS FUNDING REMAIN EARMARKED AND AVAILABLE FOR THE CHANNEL ISLANDS NATIONAL PARK ACQUISITION. SHOULD THIS FUNDING, CONTRARY TO CONGRESSIONAL INTENT, BE REPROGRAMMED FOR OTHER INTERIOR DEPARTMENT FUNCTIONS; IT IS UNLIKELY THE FUNDING WOULD BE REPLACED FOR YEARS, IF EVER. SUCH ACTION WOULD BE COMPLETELY UNFAIR TO THE LANDOWNERS WHO HAVE ALREADY BEEN WAITING FOR SEVERAL YEARS FOR THE FEDERAL GOVERNMENT

TO PURCHASE THEIR PROPERTY, AND IT WOULD CERTAINLY BE UNFAIR TO THE PUBLIC WHO HAS BEEN PROMISED ACCESS TO AND PRESERVATION OF THESE NATIONALLY SIGNIFICANT RESOURCES. I URGE YOUR ASSISTANCE IN PREVENTING ANY REALLOCATION OF THESE FUNDS IN THE FUTURE.

THANK YOU AGAIN, MR. CHAIRMAN, FOR THE OPPORTUNITY TO APPEAR BEFORE YOUR COMMITTEE TODAY. YOUR FULL CONSIDERATION OF MY REQUEST FOR THE CHANNEL ISLANDS NATIONAL PARK IS MOST APPRECIATED.

Mr. YATES. Thank you very much.

Is Mr. Atkins here?

Mrs. Burton isn't coming. We will accept Mrs. Burton's statement for the record

[The statement of Mrs. Burton follows:]

STATEMENT OF REP. SALA BURTON
Before the Appropriation's Subcommittee on Interior
April 17, 1986

Mr. Chairman, Members of the Subcommittee:

It is always a special pleasure to come before this distinguished subcommittee on matters of interest to my district, as well as to discuss issues of wider national scope. You have been very helpful to me in the past and I appreciate your continued interest.

By this time, you are all aware of my perennial request -- the one routine request that cannot be ignored -- funding for the GGNRA. If there are any among you who have not visited the GGNRA, I urge you to see this unique urban park. Imagine a recreation area that includes ocean beaches, marshes, a redwood forest, the world's largest collection of historic ships and a notorious federal penitentiary. The GGNRA remains the most popular national park in the country. In fact, visitation was up 9% last year (over 18 million), more than double the visitation to any other site in California.

GOLDEN GATE NATIONAL RECREATION AREA

The gradual, annual decline in maintenance funding has now exacted a dramatic toll on the GGNRA and resulted in an unmanageable situation that clearly threatens the continued quality operation of the park. Other factors have also contributed to this burden, including extensive damage by recent storms and the added responsibility of managing more park lands without a corresponding increase in funding.

The diverse and historic quality of the GGNRA places special demands on the management capabilities of the Park Service. When you consider that 95% of the 255 structures on park property are historic, and most of them are wooden, you realize how susceptible these properties are to rapid deterioration.

During the past three years, there has been a reduction of more than 10% in staff positions. Additionally, another 6% in staff is expected to be lost by the end of this fiscal year. To illustrate the magnitude of this problem, all preventative maintenance for the park's structures has been virtually eliminated, except for safety-related work on boiler and sewer systems. At the present time, the Park has only two employees assigned for each category as carpenters, painters, electricians and plumbers to respond to emergency repairs and necessary maintenance of what are now antiquated utility systems.

These systems are so deficient, in fact, that the sewage system in the Marin Headlands is currently in violation of California Clean Water Standards which has caused the State to threaten closing this area unless improvements are started by 1988.

Inflation has created higher utility costs in recent year and telephone service costs have nearly doubled in this area over the last three years, accompanied by significant increases in the cost of basic supplies and materials for administrative uses.

In addition, the Park has assumed responsibility for additional land areas and facilities including the Point Bonita Lighthouse, Mill Valley Air Station, and Sweeney Ridge, without increases in its operating base. To compound the problem, the Park is imminently faced with assuming responsibility for additional land areas including the areas of East Fort Baker, Thornton Beach State Park and potentially additional properties in the Daly City and Pacifica areas, again, with no provisions for operating budget increases.

The damage from a series of storms, particularly during the winters of 1982, 1983 and the past season has also contributed to the problem. Although some special funding was provided for specific projects, the damage far exceeded the funded repairs. During the past winter, a total of $250,000 in estimated damages have occurred. A substantial amount of the damage must be repaired for safety reasons or to mitigate a serious threat to the resource. In these instances, funding will be diverted from recurring operations.

In response to these problems, the Park has relied heavily on cooperating groups to provide services to the public as well as to assume routine maintenance and repair of facilities permitted to them. The use of volunteers has been increased from approximately 300 two years ago to over 1,000 today. However, due to staffing reductions, the Park is experiencing difficulty freeing up sufficient staff to provide the necessary supervision for volunteers. Donations have also been encouraged. During fiscal year 1985, a total of $703,400 in donations were received in addition to donated services valued at $199,000. The Golden Gate National Park Association was established as a support organization to engage in fundraising for the Park. Although these actions have had positive impacts on alleviating a portion of the problem, they have not yielded funding for infrastructure needs such as sewer and electrical systems nor structural problems related to seismic requirements, a significant factor in the Bay Area.

The piece-meal, band-aid approach of the past few years is now failing and the maintenance of major systems has reached a crisis stage. Money is being wasted on emergency repairs that result in being more costly than routine upkeep. An appropriate addition to the GGNRA operating budget would aid park managers as they attempt to make the difficult decisions on protecting certain park resources and sacrificing others. Vital repair and rehabilitation needs of the Park which have been identified to date include projects that total in excess of $56 million, $27 million of which is directly related to the historic ships.

GGNRA - HISTORIC SHIPS

The world's largest fleet of historic ships is housed at the National Maritime Museum in San Francisco which is administered by the Golden Gate National Recreation Area (GGNRA). Almost 60% of the cost of the day-to-day maintenance of this fleet of seven large vessels has come from the net revenues of the Haslett Warehouse, a 1909 historic structure converted into offices.

Last year, the Inspector General of the Department of Interior recommended closing this building because it did not meet modern safety codes. The National Park Service suggested interim safety measures to enable the building to remain open until a private developer could be found to rehabilitate the structure which would have insured continuity of revenue. The Department of Interior rejected this suggestion and ordered the building closed and the 74 tenants evicted by June of this year.

The result is a loss in net revenue of approximately $780,000 a year for the maintenance of the historic ships for which the Department in its fiscal 1987 budget request makes no provision. Funds provided to the National Maritime Museum in the Interior Department proposal would be $600,000 or about 40% of the money needed to simply keep this historic fleet afloat. The Department does not address the consequence of its decision to close the Haslett Warehouse office building and the National Park Service is left to try and find the money for the ships somewhere in its already severely restricted budget.

The impact of the loss of the $780,000 from annual Haslett rental receipts will be devastating in terms of the Park Services' ability to preserve this important historic resource. A loss of funding of this magnitude will completely curtail maintenance and preservation of the entire historic ship collection. The recreation area estimates that this will require reducing the shipwright, rigger, deckhand and security staff by 23 employees and also eliminating necessary supplies and materials for routine ship maintenance. The resulting deterioration of the ships could be irreversible and could ultimately result in a total loss of this park resource.

It is reasonable, considering the time required to reach agreement with a private developer, to anticipate that the Haslett Warehouse will remain vacant for more than three years. Furthermore, considering the substantial public opposition to commercial development of the building, it is quite possible that the Haslett Warehouse will never again be a source of funds for the ships.

Already one of this fleet of ships, the wooden steam schooner, Wapama, has been allowed to deteriorate to the point where she may never float again. If the ship had been repaired six years ago, when she began to sink, the cost would probably have been $2 million. As she was not repaired, but allowed to sit exposed to the elements on a barge, the amount of money to put her afloat again is out of reach.

What happened to the Wapama will happen to the other vessels unless we learn by this mistake. These ships represent the civilian maritime heritage of our nation, deemed worthy of preservation by our national government. The full restoration of these vessels over an extended period of perhaps seven years will require a commitment of at least $31 million. That is a problem which I understand this subcommittee will address at another time.

What needs to be addressed today is the day-to-day maintenance of the fleet so that the ships will not deteriorate further, so that they will not sink, so that they will be there when funds are available to restore them to their full glory.

Therefore, I request that $780,000 be added to the appropriation for the National Park Service and that $1.38 million, the current amount being expended for the maritime unit at GGNRA, be specifically designated for that purpose in fiscal year 1987.

GGNRA -- LAND ACQUISITION

Considering the $4 billion surplus in the Land and Water Conservation Fund, it is unclear why the Administration has declared a virtual moratorium on the use of these funds to acquire additional, critical properties for our national parks.

We have an emergency situation at the GGNRA where the last remaining urban parcel will soon lose its protection by a city-imposed building moratorium. This is prime real estate bait for developers who want to acquire oceanside property. It is located on a hillside adjacent to the historic Cliff House which is already included in the GGNRA boundary. Acquiring this Sutro Heights parcel now would put an end to its questionable status and allow the National Park Service to purchase the property before it is entirely out of financial reach.

There are also ranch properties in Marin where development threatens the borders of properties intended to round out the GGNRA boundary. This area continues to be one of the fastest growing communities in the state with a corresponding escalation in housing costs. Naturally, this puts available open lands in demand, and many of them intended for the park, in jeopardy.

While there are a number of situations involving critical parcel acquisition I must reaffirm my belief that the GGNRA Superintendent is the best qualified expert to determine their priorities. The GGNRA Land Protection Plan identifies the overall significance of various resources in the park and makes recommendations on acquisition priorities for the park. Naturally, this list is subject to change, depending on the possibility of adverse impacts and owner situations, both of which can be very unpredictable. I hope the subcommittee will recognize that a great deal of progress has been made toward integrating the GGNRA boundary and that a continued small amount of funding each year will soon meet the overall acquisition goals of this national park.

As you deliberate this issue, I hope you will agree that $3.0 million for land acquisition for the GGNRA would serve to balance the needs of this park against any menacing threats to its natural integrity.

GGNRA -- U.S. PARK POLICE

I simply want to take this opportunity to reiterate my support for the U.S. Park Police members serving at the GGNRA.

This group of officers provides an invaluable service to San Francisco's urban national park and to the protection of the millions of visitors who explore this area each year. Again, the diversity of the GGNRA -- from the congested wharf area to lone expanses of beach -- make the presence of the Park Police essential to visitor safety. My office has numerous letters on file where constituents report their rescue from dangerous situations by park police officers who responded immediately to their emergencies.

Although the General Accounting Office has not completed its study on the value of maintaining this force in our urban national parks, I hope the subcommittee will keep my views in mind should any interim or other funding issues develop.

I am in complete support of the U.S. Park Police at the GGNRA to insure the continued security of the many visitors who expect to tour our national park without threats to their safety.

SAN FRANCISCO BAY WILDLIFE REFUGE

It is my understanding that only a minimal amount of funding is needed to complete acquisition for the San Francisco Bay Wildlife Refuge. This acquisition would benefit the protection of certain wildlife habitats in the Bay by preserving wetland areas essential to their survival.

San Francisco Bay seasonal wetlands are under attack by developers as urban sprawl from surrounding cities continues to grow and converge near Bay shores. These lands account for one of the most endangered natural resources in the Bay's ecosystem. Almost 90% of the California coastal wetlands have already been destroyed. Of the shrunken remainder, 89% is located in the San Francisco Bay region.

Most of these wetlands have been lost to bulldozers in this century and it is imperative that we act now to save the balance of these untouched areas for the next century. The role of this unique resource in preserving the health of the entire Bay cannot be overlooked -- the chain of life in the Bay is dependent on the interrelationships of all marine life. **I urge the subcommittee to consider the importance of protecting these natural areas and I recommend an appropriation of the $3.5 million suggested for this purpose.**

It has also come to my attention that the San Francisco Bay Wildlife Refuge has been identified as having "contaminant issues of concern". The recent problems experienced with selenium contamination at Kesterson Wildlife Refuge in California has highlighted the need for quick action to control the spread of pollutants and to rid wildlife refuges of their harmful effects.

Increased funding for the Resources Contaminant Assessment program under Fish and Wildlife's Habitat Resources would allow qualified personnel with the necessary technical background to alleviate a problem that, not only threatens wildlife, but presents a clear threat to human life, as well.

CALIFORNIA OCS

Now, I would like to raise a topic that you are all probably more familar with than you would like to be -- the question of energy development on Californiania's Outer Continental Shelf.

In view of the broken promises of the Interior Department and the absence of any commitment on specific areas to be either developed or protected, I recommend that the subcommittee grant a moratorium on Lease Sale 95 in California.

A moratorium would provide not only an impetus for discussions to proceed at a more productive rate, but would also provide a safety net for the negotiating team if discussions continue to be unproductive.

For the first time in four years, we are without a Congressional moratorium to protect the unique and magnificent natural resources of our North coast. At a time when there is an abundance of oil in the world, accompanied by a downward spiral of its market price, I cannot understand that need to develop this resource at the rapid pace Interior suggests.

The facts are simple. San Francisco has already experienced two very serious oilspills, almost within a year's time, and it has become glaringly obvious that the usual clean-up technology simply does not apply to this unusual area. The weather is unpredictable, the seas are rough and current technology merely chases after spills rather than controls them. Offshore drilling is a hazardous proposition, at best, and the possible damage to our beaches, waterlife, commercial fisheries and tourism would be disastrous.

San Francisco is virtually a city surrounded by water. Its vulnerability, combined with the greater risks of increased transport activities -- in shipping lanes and through the Golden Gate -- make this plan untenable for the Santa Cruz and Pt. Arena Basins.

As far as I am concerned, scenery is a natural resource. We have a spectacular stretch of coast here in the North that people travel from all over the world to see. Visitors go beyond San Francisco -- they travel to Mendocino, too. There are over 2.5 million overnight visitors to the City each year and I can assure you, we would not be attracting these crowds with oil drilling platforms marring the scenic panorama or with oil slicks washed up on nearby beaches. Local economies based on tourism and fisheries would collapse.

I hope the subcommittee will recognize the urgent need for a moratorium on California's OCS lands and that you will give us this chance to negotiate a compromise on more equal terms with the Department of Interior.

Thank you for allowing me this opportunity to present my views to the subcommittee. You have been very attentive to my requests in the past and I hope you, too, will recognize the value of acting on some of the matters I have focused on today. Again, I appreciate your consideration of these request, particularly as they relate to the GGNRA budget crisis.

THURSDAY, APRIL 17, 1986.

LOWELL NATIONAL HISTORICAL PARK

WITNESS

HON. CHESTER G. ATKINS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. YATES. Mr. Atkins, your statement will be made part of the record.

Mr. ATKINS. I will be very brief, Mr. Chairman.

First, I want to thank you very much for Mr. Sigmon's attendance at the park last month. We had, I believe, a very good visit.

Mr. YATES. He came back with a controversy. You recognize this as a spindle. Have you seen this?

Mr. ATKINS. I have. Just make sure you never get shot with one of those.

Mr. YATES. Is that what they use them for?

Mr. ATKINS. No. But if you stand on the side of the machine, it can happen.

Mr. YATES. Okay.

Mr. ATKINS. It is not a pleasant experience.

Mr. YATES. Do you want money for Lowell?

Mr. ATKINS. Everybody wants money for Lowell.

Our request, in light of Gramm-Rudman, is less than half of what this subcommittee and the House approved last year. If I could take half a second?

Mr. YATES. You may.

Mr. ATKINS. We are looking at the Notini property again. You approved that. That is a situation where they are presently renting that facility. There are other parties looking to buy the property. And the total cost of the property is less than the six years' rent at the present rent. Those have been escalating very rapidly.

I believe that would be a prudent investment that would pay itself back to the Federal Government.

Mr. YATES. Too bad the amount they want isn't equal to what the rents were based on 10 years ago.

Mr. ATKINS. It certainly is.

The second thing is a request for $2.7 million for the trolley extension for the Lowell Historic Preservation Commission and for the construction work that would complete the exhibits in the boarding house. These two activities would complete that park loop and would really complete the park's activities, except for the canal way.

The number of visitors are up substantially; over half a million this year. You are aware the park has been a centerpiece of what I think is one of the most dramatic urban revitalizations in the entire country. It really was your vision, your willingness to support my predecessor, Congressman Tsongas, and later Senator Tsongas, that have made this possible.

You will be pleased to know while the Federal investment is declining in new construction, the state investment, the local investment, the private investment there has increased substantially.

[The statement of Mr. Atkins follows:]

TESTIMONY BY

THE HONORABLE CHESTER G. ATKINS

BEFORE THE SUBCOMMITTEE ON INTERIOR

OF THE HOUSE COMMITTEE ON APPROPRIATIONS

APRIL 18, 1986

I'm pleased to be here this morning to testify in support of the FY 87 budget request for the Lowell National Historical Park and the Lowell Historic Preservation Commission. With the terrific support of this subcommittee, the Park and the Commission have made great strides toward completion of their congressional mandate. On behalf of the people of Lowell and the hundreds of thousands of visitors who have enjoyed the Park, I wish to express my appreciation for your past help.

I am especially pleased, in these times of budget limits, that the request I make today is substantially reduced from last year's. The total request this year for both the Park and the Commission is less than half the $7.6 million you approved for FY 86.

Thanks to the efforts of this committee, the work on the park's major interpretative facility, the Boott Mill, is now fully funded and moving ahead strongly. Phase 1 of the construction, consisting of needed structural improvements to the building, is underway. This phase includes reroofing, strengthening walls, replacing floors, installing the utility core and the elevators, and repointing the exterior brick on the building. It also involves renovating the ground floor maintenance facility for the three trolleys which represent a major attraction at the Park.

The work on Phase 1 is set to be finished in September. At about the same time, contracts will be obligated for Phase 2, which involves the interior arrangements for the building. Those contract documents are now being prepared, and will include work on the facilities for the Culture Preservation Lab, for which funding was requested last year by Speaker O'Neill. The lab will share space on the 5th floor of the Boott with the Tsongas Industrial History Center.

Funds for that vital work on the Boott Mill have already been appropriated. The work will be completed by the spring of 1988. The only new money we need this year for the Mill is for an electrical plant to house the heating and air conditioning units, and to acquire an easement around the building for visitor pathways to permit access.

The most pressing need facing the Park this year is the acquisition of the Notini property. The park now leases the building, which houses the entire maintenance operation and serves as a garage for all the motorized equipment. The carpentry shop and the mechanical shop are located in the building, as well as a collection of historic textile machines which belong to the Park.

The Notini Property is ideally located. It is on the canal, which permits restoration work and and immediate access. In addition, the land on which the building sits is the point at which visitors going on the canal tour embark.

When the park was first established, an extensive survey was conducted for possible sites as alternatives to the Notini property. We learned then, and it is still the case, that no other property is as well-suited to the needs of the Park or could be acquired for as little.

I feel strongly that it would be in the interests of the taxpayers as well as the park to acquire the building. The rent this year will be $130,000. The price for buying the building is just $762,000, or less than six years rent. Furthermore, the rent keeps going up -- last year it was $111,000, while the chances that a third party will purchase the building, leaving the Park in the lurch, increases. I hope the subcommittee will see fit to provide funds for the acquisition of the building this year.

The bulk of this year's request for Lowell is for activities of the Historic Preservation Commission. The total of $2.7 million is split between the extension of the trolley system, canal development, and the Mogan Cultural Center.

The trolley extension would complete link between all the park sites and the Visitors Center. Visitors to the park who ride the canal barge through the Northern and Pawtucket Canals to the Hilton Hotel and the Wang Training Center have no means of getting to the Boott Mill. The trolley extension would complete the loop.

It would also complement the $2 million investment of the State Heritage Park to restore the lock chamber in the canal and to convert the land at the canal barge terminus into a park. In the tradition of private-public cooperation which has driven the economic rebirth of Lowell, extending the track over a bridge across the Eastern canal to the Boott Mill would also stimulate economic development of the Massachusetts Mills. That project could bring new high tech office space, condominiums, and light manufacturing to Lowell.

The work on the canal system would continue under this funding request. Easements along much of the 5.6 mile canal system would permit a demonstration project which would include canal walks, greenscape parks, and cantilevered walkways for visitors. Grants to property owners would permit them to make their own improvements on the facades of their buildings.

The most exciting project in this year's request is the work on the Mogan Cultural Center, or the Boott Mill Boardinghouse. The exhibits in the Boardinghouse will include period recreations detailing how each wave of labor forces affected life in Lowell.

The first exhibit will illustrate the period when labor for the mills was provided by Yankee farm girls from the surrounding countryside. The mill girls, as they were known, were only permitted to work in the city if they had a safe place to stay. So the mill owners of the 1830's and 1840's operated hundreds of these boardinghouses. The Boott Mill Boardinghouse is now the only one remaining.

The mill girls were replaced by successive waves of immigrants whose descendents today give Lowell great cultural and ethnic diversity. Later generations of those workers brought to Lowell the introduction of organized labor. As part of this exhibit, the Central Labor Council of Greater Lowell has sponsored a private, non-profit organization to raise funds and will pay to rent space in the Boardinghouse.

The history of the mill workers will take up the first two floors of the Cultural Center. On the third floor, the historical archives of the University of Lowell will be relocated. Early photos of the city, as well as manuscripts and historic documents will be accessible to the public in space rented by the university. Additional space will be used for continuing education classes in local history.

Thanks in large part to the past support of this subcommittee, we have been able to make the concept of the urban historical park a reality. Over half a million visitors will enjoy the facilities of the Park this year, more than five times the number in 1980. These steady increases in visitors to the park promise even greater future success.

Again, on behalf of the people of Lowell, I thank you for your support. I hope we can continue the excellent tradition of cooperation that has made the Lowell National Historical Park a monument to the Industrial Revolution in America.

Thank you.

Mr. **Yates**. Good.

All right. Thank you, Mr. Atkins.

We certainly will give your request every consideration.

Mr. **Atkins**. I appreciate it deeply.

Mr. **Yates**. I think we ought to vote while nobody is here. We will come back.

[Recess.]

Thursday, April 17, 1986.

OUTER CONTINENTAL SHELF OIL AND GAS LEASING

WITNESS

HON. BILL LOWERY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. **AuCoin** [presiding]. Mr. Lowery of California, welcome to the committee.

Mr. **Lowery**. Thank you, Mr. Chairman. It is good to be with you again.

Mr. **AuCoin**. Good to see you.

Mr. **Lowery**. My apologies for my voice. I developed a little bit of laryngitis while in South America. I was yelling over the issue of offshore oil drilling.

Mr. **Regula**. I notice South American countries do it regularly.

Mr. **AuCoin**. Break it up. Break it up.

Mr. **Regula**. That is what Californians need to man their great thrift for oil.

Mr. **AuCoin**. I am sorry. Your time has expired, Mr. Lowery.

Mr. **Lowery**. Mr. Chairman, I appreciate the opportunity to address you and the committee. We have been at this for so long, you are probably as bored with the issue as many members of Congress. We have been at it for some time. I have been working on the OCS question for some five years, through three Secretaries, and have been an active participant in every negotiating session that we have had.

As you know, we are currently underway with negotiations with the Department of the Interior, as well as a negotiating team from both houses of Congress. I am here to discuss the issue of the moratorium. Quite frankly, it will restore some symmetry to the process.

I am hopeful by the time we get around to the new fiscal year, a moratorium will not be required because we will have negotiated a permanent solution to the issue of offshore oil on the Pacific Coast. In the event we do not, we need some symmetry to try to find a long-term solution.

Mr. **AuCoin**. You do think we need a moratorium?

Mr. **Lowery**. At this time.

Mr. **AuCoin**. That would help expedite negotiations?

Mr. **Lowery**. I believe it would.

Let me make a couple of points. The moratorium is admittedly not a solution. We have always said that. It is a vehicle to help bring about a negotiated, long-term solution.

Second, we want to continue the talks, but the moratorium would no more interfere with the negotiations—which would hopefully be completed successfully by the end of May—but it will no more interfere with the negotiations currently underway with Interior than their decision to proceed with lease sales 91 and 95.

Interior has proceeded with those lease sales. Quite frankly, our proceeding with the moratorium language in the Interior appropriations bill would restore equity and fallback positions for each side. The moratorium provisions would merely provide the delegation flexibility to develop as wide a range of options as possible.

The moratorium provisions, quite frankly, will remind the Interior Department of the options that the California delegation still has on this issue.

Let me make another point. It is essential we develop a long-term balanced national energy policy, something many of us have talked about, but we really have not gotten around to. Getting rid of alternative energy incentives to drill off the California Coast are not justifiable particularly at a time when the vast bulk of our imported oil is coming from Canada, Mexico, Venezuela, and Great Britain. It is not coming from the Middle East, although some admittedly is.

Interior has been saying the only environmental concern that we are up against is visual. Quite frankly, that is wrong. The coastal communities depend upon their ability to plan ahead environmentally and economically, and onshore facilities would have a very large impact, every bit as large an impact upon those communities as would platforms off the beaches.

Mr. AuCoin. There is also the problem of potentially chronic marine adverse impacts from the spills and the rest, is there not?

Mr. Lowery. The problem with spills, environmental hazards, air quality—indeed there are a number of concerns, and some of them hopefully could be successfully mitigated, but some we are still lightyears apart.

Mr. AuCoin. Those go well beyond the range of just the question of visual pollution?

Mr. Lowery. Indeed.

Let me say, in conclusion, I am always the eternal optimist. I am hopeful current negotiations can succeed, although I have been skeptical at this point. In light of the pace, however, of restoring, the moratorium will restore a balance of options and will help strengthen the negotiating positions.

[The statement of Mr. Lowery follows:]

Mr. Lowery

Ca [illegible]

HONORABLE BILL LOWERY

TESTIMONY ON OCS

BEFORE

INTERIOR APPROPRIATIONS SUBCOMMITTEE

17 APRIL 1986

REP. BILL LOWERY

TESTIMONY BEFORE THE APPROPRIATIONS COMMITTEE

SUBCOMMITTEE ON THE INTERIOR

Mr. Chairman, thank you for the opportunity to be here before this Subcommittee to outline my concerns about the future of California's OCS and the slow progress taking place in our negotiations with Interior. As a member of the OCS Task Force appointed last year by the Speaker, I appear today to focus once again on the necessity of including a leasing moratorium provision in the Interior Appropriations bill.

Before other interested members parade before this panel for the umpteenth time to address the issue of California's coastal future, I would like to stress again that none of us view one-year moratoria as the final solution for California's OCS. However, neither can any of us sit idly by as Interior proceeds with lease sales 91 and 95. A lease ban would restore much needed symmetry to the "fallback" positions of both Interior and the delegation.

Since coming to Congress in 1981, I have been involved in countless OCS policy debates. Negotiations have ranged from arduous at least to misleading at best, such as Secretary Hodel's repudiation of last July's Congressionally negotiated agreement. While I remain sanguine over the outcome of our current negotiations, I am no longer naive enough to believe that Interior will continue to conduct good-faith discussions without the incentive of a leasing moratoria which contains the areas for which we before have sought protection.

Over the past five years, many members of this subcommitte have had the privilege, or misfortune depending upon personal prediliction, to become familiar with this issue. Each year, environmental groups and concerned local representatives have repeated the need to keep Interior interested through moratoria in reaching a responsible long-term program for the development of California's coastal regions. And each year, after fruitless negotiations with Interior and inattentiveness on their part to the concerns and input of local communities, the same people have had to reappear. Only last year, when faced with prospect of another moratoria and increased pressure from oil companies, did Secretary Hodel aggressively pursue a "preliminary agreement" with members of the California delegation. And just as aggressively, after the delegation unilaterally withdrew the moratoria as a gesture of good faith, Secretary Hodel backed his way out of the agreement. It is, therefore, painfully clear to me that Interior's desire and impetus for reaching a negotiated solution is directly hinged upon impending moratoria. It is equally clear that without the inclusion of another ban on lease sales, Interior no longer has any need to account for Congressional or local concerns, and will proceed to lease without consultation, such as its proposed sale 91 off the southern California coast.

Mr. Chairman, my desire, as it has been for the past five years, is to see a responsible agreement with Interior which would provide for careful and balanced development of the OCS and make such extraordinary Congressional involvement unnecessary. The present OCS Task Force represents good faith and effort on both sides toward reaching such an agreement. Inclusion of moratoria language in the Interior bill would not at this time be any more inconsistent regarding good faith negotiations than Interior proceeding with lease sales 91 and 95. Such provisions merely provide members and coastal communities with the flexibility to develop as a wide range of options as the Interior Department has regarding the current negotiations.

If we are really concerned about our national energy security, then the most important task facing the Administration ought not to be wholesale offerings of the California coastline, but the development of a comprehensive and balanced energy policy. Indiscriminate hydrocarbon exploration and extraction on California's OCS is unjustifiable in light of recent decisions to limit SPR purchases, our nation's first line of defense against disruptions in foreign supplies, particularly when the vast majority of our imported oil now come from Canada, Great Britain, Mexico, and Venezuela -- not from the Middle East. In addition, tax credits would end for alternative energy investment, residential energy conservation, renewable energy, alcohol fuels, and alternative energy production techniques. Finally, the decision to lower fuel economy standards means that an extra 1.54 billion gallons of gasoline will be consumed by American drivers. Obviously, if the Administration feels comfortable enough with the energy security of our nation to propose these short-sighted measures, there should be no objection to developing the most sensitive areas of our coastline last instead of first.

Regarding the OCS environment, let me just say that California's coastline is extremely sensitive in certain areas -- the same areas which have been opened by Interior under the terms of lease sale 95 and 91. The Interior Department has implied that the only environmental issue of concern is visual pollution. This is patently false. Environmental concerns with respect to OCS oil and gas activities center around oil spills, chronic marine and shoreline impacts resulting from routine platform discharges, air pollution, and onshore activity. Moreover, offshore oil often means onshore bases, transportation facilities, pipelines, storage tanks, processing facilities, housing, roads, etc. In certain areas, where the shoreline contributes equally to the environmental sensitivity of a particular area, the physical destruction or alternation of coastal habitats to accomodate exploration, development, production, and transportation can have serious and irreversible effects.

In conclusion, Mr. Chairman, I would repeat that I favor continuing a careful and balanced policy regarding the development of our OCS. In light of the pace of our current consultations, howewver, including moratoria provisions on leasing will go a long way in restoring the balance of options available to each side.

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Mr. **AuCoin**. Do you think we could help you by putting the moratorium in this bill?

Mr. **Lowery**. Indeed. There is still a great deal of realism in the talks. We were so close last year. We are looking at fresh approaches of concepts to bring into the negotiations which we should start next week.

Mr. **AuCoin**. Thank you, Bill.

Mr. **Lowery**. Thank you.

THURSDAY, APRIL 17, 1986.

FISH AND WILDLIFE SERVICE

WITNESS

HON. BILL ALEXANDER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARKANSAS

Mr. **AuCoin**. Mr. Alexander.

Mr. **Alexander**. Mr. Chairman, the austerity program has brought me to a new committee room. For all this time I have been in Congress, this is my first time in this room.

Mr. **AuCoin**. Welcome.

Mr. **Alexander**. I ask permission to submit the text of my statement and to refer to it and summarize it.

Mr. **AuCoin**. Without objection, it will be included in its entirety in the record.

Mr. **Alexander**. Mr. Chairman, the matter which I come here to address today is small in the overall scheme of the enormous Federal budget and only addressing the sum of $146,000. But, it is very large in the economy of the region of Arkansas, Missouri, Illinois, Tennessee and Mississippi.

The Mammoth Spring hatchery has been in existence for over 80 years, about 85 years, and it is a very unique hatchery in that it is adjacent to a natural spring, the Mammoth Spring, which is the world's largest natural flowing spring. Because of its natural supply of water, the fish hatchery adjacent to it is operated very efficiently.

The Fish and Wildlife Service proposes to close this fish hatchery together with four others in the Southeast region at an alleged saving overall of $1,600,000. I argue that it is not a saving; it is a shift in priority in that the Department of the Interior wishes to spend these monies on other things within the department, and that the fish hatchery is essential to the economy of the Ozark region and to the entire region of that vicinity because the fish hatchery supplies various species of fish to the streams and lakes and even ponds, privately-owned ponds, in the Middle Southeast region.

In fact, it probably produces more of a variety of species than any other fish hatchery because of the fact that it is supplied with natural free-flowing water, the PH balance of which is near perfect.

One of the old-timers who was a former director or manager of the fish hatchery says they could raise mermaids there if they could get the eggs. It is indeed a unique facility, one that I am very familiar with because I went to boys' camp near there as a child.

I am here today to plead with the committee to maintain this provision, this amount in the budget of $146,000 to save the Mammoth Spring fishery and save the economy of the region.

[The statement of Mr. Alexander follows:]

STATEMENT OF THE HONORABLE BILL ALEXANDER TO THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES, COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, IN RE THE FISCAL YEAR 1987 BUDGET FOR THE U.S. FISH AND WILDLIFE SERVICE

April 17, 1986

MR. CHAIRMAN and members of the subcommittee, thank you for granting me the opportunity to appear today and discuss the effects of the U.S. Fish and Wildlife Service's budget on my home state of Arkansas.

Specifically, I come before you to strongly oppose, and to urge that the subcommittee reject, the Service's proposal to close the Mammoth Spring National Fish Hatchery in Mammoth Spring, AR. I propose as an alternative that the hatchery be funded at its FY 86 level of $146,000.

The Service argues that the Government can save $1.6 million by closing Mammoth Spring and five other national hatcheries which the Service claims devote most of their production to the farm pond stocking program. The Administration argues that farm pond stocking is not an appropriate activity for the Federal Government, and indeed the Service has indicated for more than a year that it will phase out its farm pond program.

All six of the hatcheries on this year's hit list are located in the Service's Southeasten region. I believe this is unfair to my part of the country, which is highly dependent on the services of the national fish hatcheries for stocking of public waters.

I won't get into the issue of whether or not the stocking of private farm ponds with fish is an appropriate activity for the Federal Government. Despite the Service's arguments, that point is not relevant to the fate of Mammoth Spring National Fish Hatchery.

It is true that in fiscal year 1985, 48 percent of the hatchery's total production went to the farm pond program. However, that figure was abnormally high compared to the normal farm pond demand on this particular hatchery.

In a normal year, only about a quarter of the hatchery's production goes to farm ponds. Indeed, the farm pond demand was unusually high in FY 85 because the owners of the ponds knew that the Federal hatcheries were supposed to get out of the farm pond business, and they wanted to get as many fingerlings as they could while the program was still operating.

Furthermore, Mr. Chairman, the Hatchery produces fish for farm pond stocking only because the Service tells it to. All the Atlanta regional office has to do is tell the managers of Mammoth Spring and the other hatcheries to quit producing farm pond fish, and the farm pond program would be over. This has not yet happened.

I also question the Service's assumption that substantial dollar savings could be achieved by elimination of the farm pond program. While there are some costs associated with distribution of the fingerlings for the program, the investment of time and resources on farm ponds is not large.

For these reasons, I believe that the Administration's arguments in favor of closing Mammoth Spring Hatchery are groundless.

But in these difficult fiscal times, it requires more than just an absence of good arguments for closing a facility to keep it open. Federal installations must have positive justifications for their existence.

Is Mammoth Spring Hatchery worth keeping open? I think it is, and I'd like to go into some detail about the reasons why.

Mr. Chairman, Mammoth Spring Hatchery is a bargain for the Nation. For every dollar the taxpayers put into it, it produces $12 worth of fingerlings. These fish are placed in lakes, rivers and streams in 16 states. The hatchery plays an important role in meeting the fish needs of other Federal agencies such as the Army Corps of Engineers, the Tennessee Valley Authority, and the U.S. Forest Service, to name three.

Mammoth Spring Hatchery received requests for five million fingerlings to restock public waters in 1985 alone, a figure far above the hatchery's current production capacity.

The hatchery is unique among all Federal hatcheries in that it is the only one that can produce warm water, cool water, or cold water fish, or any combination thereof. This is possible because the hatchery is located adjacent to one of the world's largest free-flowing springs and is guaranteed 1,200 gallons of water per minute.

This water is highly oxygenated -- the oxygen content is about seven or eight parts per million -- and therefore the hatchery does not have to purchase expensive aeration equipment, as do many other hatcheries. The taxpayer thus saves more money.

Additionally, the pH of the water at Mammoth Spring is very close to a pure, neutral 7, which is the ideal acid-alkaline balance for raising fish.

Because of these ideal conditions, Mammoth Spring National Fish Hatchery has over the years sucessfully reared more than 20 different species of fish, including various species of bass, catfish, sunfish and trout. In fact, the hatchery has been so productive that one of its former managers used to say "we could raise Mermaids if we could get the eggs."

If I may, Mr. Chairman, I'd like to give one concrete example of the Mammoth Spring Hatchery's value.

The justification documents submitted by FWS to the Subcommittee state that one of the Service's highest priorities for the coming year is the restoration of the Gulf Coast Striped Bass to the public waters of the South.

Mammoth Spring Hatchery is one of only two national fish hatcheries that has demonstrated the ability to develop and grow to breeding age the Gulf Coast Striper. The other hatchery, located at Warm Springs, GA, is also on the 1987 hit list. It would seem that the Service's budget proposals fly in the face of its program priorities.

Furthermore, the water at the Warm Springs Hatchery is marginally more acidic than that at Mammoth Spring. If we're serious about restocking the South's lakes and rivers with the Gulf Coast Striped Bass, we need the Mammoth Spring Hatchery.

The continued supply of the Gulf Coast striper, the smallmouth bass, and other popular game fish is vital to the economy of the South -- an economy that depends heavily on tourism. The area near the hatchery in north central Arkansas and south central Missouri is even more dependent on the visitor's dollar than most areas.

Mr. Chairman, the Ozarks are a chronically depressed, resource-poor area. Their major resource is their scenic beauty, combined with the availability of good hunting and fishing. In Arkansas, tourism is second only to agriculture as a major industry. The loss of our only immediate source of smallmouth bass would hurt Arkansas' tourism industry at the same time that agriculture is on its back and footwear and textiles are suffering severe import penetration. My District cannot stand many more body blows to its economy.

The people who live near the hatchery feel the same way, Mr. Chairman. I found that out when more than 500 of them wrote me to say so.

Are there other, non-Federal options for the continued operation of the Mammoth Spring Hatchery? It doesn't appear so, Mr. Chairman.

Congress has, in recent years, given its approval to the transfer of several national fish hatcheries to the states. This does not seem to be an option in the case of Mammoth Spring.

The Federal Government acquired title to the land that is now the hatchery site in 1903. The land was a gift from one of the families in the area. Under the terms of the deed, if the site ever ceases to be a national fish hatchery the land reverts to the heirs of the original owner.

The State of Arkansas has said that it is not interested in taking over the Mammoth Spring Fish Hatchery unless all parties agree not to litigate the ownership of the land, and no one thinks such an agreement is likely. At this point in the record, Mr. Chairman, I'd like to insert a letter from Governor Clinton expressing his support for continued Federal operation of the hatchery.

Finally, Mr. Chairman, I must point out that the decision to close six Southern hatcheries is not a budgetary one; it is, instead, a philosophical decision. This becomes clear when you examine the rest of the Service's 1987 budget request.

FWS has requested an increase of $5.1 million over the 1986 figure for restoration of waterfowl. It has requested an increase of $1.2 million over the prior year figure for research and monitoring of environmental contaminants. $1.6 million is earmarked for the operation and start up of new and expanded wildlife refuge units.

I'm not saying I oppose these programs. But I am saying that the Administration has clearly shown that it didn't ask for the closing of six Southern hatcheries just to save money. They just don't want to place a high priority on fish hatcheries. For the reasons I've outlined today, I disagree.

You know, when Mammoth Spring National Fish Hatchery began operations in 1904, Theodore Roosevelt -- perhaps the greatest conservationist in our Nation's history -- was President. He said, "The Nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired, in value."

I urge the Subcommittee not to turn its back on 82 years of stewardship. Let's pass the resources of the Mammoth Spring Fish Hatchery to the next generation without impairing their value.

Thank you very much, Mr. Chairman.

STATE OF ARKANSAS
OFFICE OF THE GOVERNOR
State Capitol
Little Rock 72201

Bill Clinton
Governor

February 7, 1986

The Honorable Jerry Smith
Mayor of Mammoth Springs
P. O. Box 185
Mammoth Springs, AR 72554

Dear Jerry:

I am writing this letter in response to the possible closing of the National Fish Hatchery in Mammoth Springs. This hatchery has been in operation since 1904 in Mammoth Springs and is operated by the U. S. Fish and Wildlife Service. The hatchery employs four (4) full-time and eight (8) part-time personnel and currently has an operating budget of approximately $150,000.

This hatchery is and has been an economic and environmental asset to north Arkansas, the entire state, and the nation. The hatchery is the largest producer of small-mouthed bass of any hatchery operated by the U. S. Fish and Wildlife Service and is the only national hatchery which can produce warm, cool and cold water fish. It provides sunfish, small-mouthed, large-mouthed, and striped bass as well as channel catfish to the Arkansas Game and Fish Commission, many public waters, and some farm ponds. If the hatchery is closed, it will cause a severe economic impact on the area and there will be no immediate source for small-mouthed bass in this region of the country.

I am contacting the Arkansas Congressional Delegation and requesting that they support the funding of the U. S. Fish and Wildlife Hatchery in Mammoth Springs. Jerry, I hope that through our joint efforts, we can keep the hatchery in Mammoth Springs. If I can be of any other assistance, please let me know.

Sincerely,

Bill Clinton

Bill Clinton

BC:pp:rae

Mr. AuCoin. I appreciate your testimony.

I understand one of the other hatcheries of the six is in Chairman Whitten's district, as well.

Mr. Alexander. Maybe we can join forces to provide some coalition of support for this vitally needed facility.

Mr. AuCoin. Thank you.

Mr. Alexander. Thank you very much.

Thursday, April 17, 1986.

NATIONAL PARK SERVICE/FISH AND WILDLIFE SERVICE

WITNESS

HON. BEVERLY B. BYRON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mr. AuCoin. Mrs. Byron.

Mrs. Byron. Thank you, Mr. Chairman.

Mr. AuCoin. Welcome.

Mrs. Byron. Let me say, it seems I come, not as my colleague who was here for the first time, but I am one of your regulars.

Mr. Regula. There are several.

Mr. AuCoin. Well-worn path.

Mrs. Byron. I will submit my statement for the record. Let me sort of summarize.

I have a luxury that I am very proud of. My district contains six national parks and many state and local parks. I think they are not only a constant enjoyment for me and my constituents, but I think they are for those individuals that live in our Nation's capital and in this area. We work hard to keep them.

Western Maryland's natural resources are not confined to the park, because also I have abandoned mines and working coal mines. It goes across-the-board.

I fully support the intent of the committee's recommendations on the budget level. It is very discouraging to see each year what the administration proposes for maintenance and operation of the parks and see, at the same time, we are trying to maintain really a natural resource. This year I don't think is any exception.

Let me talk about one particular park in my district, because I think it is one the administration should have a fairly high priority, and that is the Cactocin Mountain Park, which happens to have Camp David located in it.

A few of the problems on that park's funds for supplies and maintenance this year are in existence. The FTS phone lines have been removed, due to recent heavy rains. Its trails are in bad shape and we have a bridge out. It is rather discouraging to me to see this park which contains the President's retreat, which we note with great pride by the media that he takes foreign visitors to see, is in this condition. It is currently in need of a minimum of $1 million for 1987 just to operate within some sort of semblance of normalcy.

I think the budget for 1987, which provides only $384,000 and five full-time equivalents for the river and trails studies program, is also a problem. State and local river conservation assistance was eliminated altogether last year. This proposal is an enormous mistake which runs counter to the philosophy of the administration.

So many areas, formerly Federal responsibility, are now no longer Federal responsibility, but the state and local governments'. They have eliminated them, also. I think it is self-defeating.

As you know also, the Appalachian Trail runs through a large segment of western Maryland. That trail is one that we have seen children from youngest first hike up, in to many of our senior citizens find a great deal of enjoyment. That trail has been a hope and a dream to finally be fully protected for many years.

I urge the subcommittee once again to look very longingly and hard at the appropriations for the Park Service and for the Forest Service for authorizations of that trail for the protection.

I think the administration's proposal to rescind the funds for the Land and Water Conservation Fund once again is another serious problem. I think this would not only need protection, but also it would impair many of our natural resources in the Nation.

Mr. AuCoin. Bev, the staff reminds me this rescission has expired.

Mrs. Byron. Good. Thank you.

[The statement of Mrs. Byron follows:]

SUBCOMMITTEE ON INTERIOR APPROPRIATIONS

BEVERLY B. BYRON

APRIL 17,1986

MR. CHAIRMAN, THANK YOU FOR ALLOWING ME THIS OPPORTUNITY TO TESTIFY BEFORE YOUR SUBCOMMITTEE FOR YET ANOTHER BUDGET YEAR. AS YOU WELL KNOW BY NOW, I REPRESENT A DISTRICT THAT HAS THE LUXURY OF CONTAINING SIX NATIONAL PARKS AND SEVERAL STATE AND LOCAL PARKS. THESE PARKS ARE A SOURCE OF CONSTANT ENJOYMENT FOR ME AND MY CONSTITUENTS AND WE HAVE WORKED HARD TO KEEP THEM BEAUTIFUL. HOWEVER, WESTERN MARYLAND'S NATURAL RESOURCES ARE NOT SIMPLY CONFINED TO PARKS, FOR MY DISTRICT ALSO CONTAINS COUNTLESS ABANDONED AND WORKING COAL MINES. THEREFORE, WITH MY INTEREST IN BOTH THESE SUBJECTS, I HAVE A VARIETY OF COMMENTS TO MAKE.

FIRST, LET ME SAY THAT I FULLY SUPPORT THE INTERIOR COMMITTEE'S RECOMMENDATIONS OF BUDGET LEVELS FOR FISCAL YEAR 1987 FOR THE NATIONAL PARK SERVICE. IT IS VERY DISCOURAGING TO SEE

EACH YEAR WHAT THE ADMINISTRATION PROPOSES FOR THE MAINTENANCE AND OPERATION OF OUR NATIONAL PARKS. THIS YEAR IS NO EXCEPTION. I WOULD LIKE TO CITE ONE PARTICULAR PARK IN MY DISTRICT WHICH IS CURRENTLY SURVIVING ONLY BECAUSE OF ITS STRONG VOLUNTEER FORCE. I AM REFERRING TO MT. CATOCTIN PARK WHERE CAMP DAVID IS LOCATED. TO MENTION JUST A FEW OF ITS PROBLEMS, THE PARK'S FUNDS FOR SUPPLIES AND MATERIALS ARE NONEXISTENT, ITS FTS PHONE LINES HAVE BEEN REMOVED, AND, DUE TO THE RECENT HEAVY RAINS, ITS TRAILS ARE IN BAD SHAPE AND A BRIDGE IS OUT. IT IS VERY DISCOURAGING TO ME TO SEE THIS PARK, WHICH CONTAINS THE PRESIDENT'S OWN RETREAT, INTHIS CONDITION. MT. CATOCTIN IS IN NEED OF A MINIMUM OF $1 MILLION FOR FISCAL YEAR 1987 IN ORDER TO OPERATE WITH SOME SEMBLANCE OF NORMALCY.

SECOND, I WOULD LIKE TO ADDRESS THE PROVISION IN THE ADMINISTRATION'S FISCAL YEAR 1987 BUDGET WHICH PROVIDED ONLY $384,000 AND FIVE FULL TIME EQUIVALENTS (FTEs) FOR THE RIVER AND TRAIL STUDIES PROGRAM. STATE AND LOCAL RIVER CONSERVATION ASSISTANCE WAS ELIMINATED ALTOGETHER. I FEEL THAT THIS PROPOSAL IS AN ENORMOUS MISTAKE AS IT RUNS COUNTER TO THE ADMINISTRATION'S PHILOSOPHY OF CULTIVATING AND ENCOURAGING PRIVATE PARTICIPATION IN SO MANY AREAS THAT WERE FORMERLY FEDERAL GOVERNMENT

RESPONSIBILITIES. WITH THIS PROPOSAL, THE INTERIOR DEPARTMENT WOULD NOT BE ABLE TO MAINTAIN THE OPEN AND POSITIVE LINES OF COMMUNICATION IT HAS WITH HUNDREDS OF PRIVATE TRAIL USER GROUPS THROUGHOUT THE COUNTRY. THIS CAN ONLY BE SELF-DEFEATING. THREFORE, I URGE YOU TO PROVIDE A LEVEL OF $2,225,000 FOR STATE AND LOCAL RIVER CONSERVATION ASSISTANCE AND THAT $200,000 BE DESIGNATED SOLELY FOR TRAILS PROGRAMS. IN ADDITION, I WOULD RECOMMEND THAT THE 49 FTEs BE RETAINED FOR THE RIVERS AND TRAILS PROGRAM.

THIRD, AS YOU WELL KNOW, THE APPALACHIAN TRAIL (A.T.) RUNS STRAIGHT THROUGH A GOOD PORTION OF WESTERN MARYLAND. I AM VERY PROUD THAT THIS TRAIL EXISTS AND I FULLY SUPPORT CONTINUING LAND ACQUISITION BY THE NATIONAL PARK SERVICE AND THE U.S. FOREST SERVICE. AS YOU MAY REMEMBER, MY LATE HUSBAND, GOODLOE BYRON, WAS VERY INVOLVED IN TH PROTECTION OF THE A.T. AND SPENT HIS YEARS AS A MARYLAND DELEGATE AND CONGRESSMAN WORKING TO ACHIEVE FULL PROTECTION OF THE A.T. I HOPE THIS DREAM WILL SOON BE REALIZED AS I KNOW HOW IMPORTANT THE A.T. HAS BEEN TO ME AND THE MEMBERS OF MY FAMILY. THEREFORE, I URGE THE SUBCOMMITTEE TO APPROPRIATE $7 MILLION FOR PARK SERVICE AND $1.5 MILLION FOR FOREST SERVICE ACQUISITION OF THE TRAIL.

ALONG THESE SAME LINES, I WANT TO TAKE THIS OPPORTUNITY TO EMPHASIZE MY OPPOSITION TO THE ADMINISTRATION'S PROPOSAL TO RESCIND MOST OF THE FISCAL YEAR 1986 FUNDS APPROPRIATED FOR THE LAND AND WATER CONSERVATION FUND. THIS RESCISSION WOULD NOT ONLY IMPAIR THE PROTECTION OF THE A.T., BUT ALSO OTHER IMPORTANT NATURAL RESOURCES THROUGHOUT THE NATION. THEREFORE, I MUST REITERATE THAT I OPPOSE THIS RESCISSION PLAN AND SUPPORT THE RELEASE OF THESE FUNDS AS SOON AS POSSIBLE.

FOURTH, I BELIEVE THAT WE NOT ONLY NEED TO CONTINUE LAND ACQUISITION, BUT WE NEED TO BE ABLE TO REPAIR THOSE AREAS WE ALREADY OWN SHOULD AN EMERGENCY OCCUR. AS YOU KNOW, THE C&O CANAL NATIONAL PARK SUSTAINED HEAVY DAMAGE DURING LAST NOVEMBER'S FLOOD OF THE POTOMAC RIVER. THE PARK HAS ACCOMPLISHED A GREAT DEAL OF THE CLEANUP ON A LOW BUDGET THROUGH SUCH PROJECTS AS THE CLEANUP CAMPOREE PLANNED FOR JUNE, JULY, AND AUGUST. APROXIMATELY 1100 PEOPLE HAVE ALREADY EXPRESSED INTEREST IN GIVING THEIR TIME TO HELP CLEAR AWAY THE DEBRIS STREWN ALONG THE CANAL. HOWEVER, ONCE THE DEBRIS IS REMOVED, THE COSTLY WORK WILL BEGIN. MOST OF THE TOWPATH WILL NEED TO BE REBUILT. I MUST URGE

THE SUBCOMMITTEE TO PROVIDE $2 MILLION IN FISCAL YEAR 1987 SO THAT THE PARK CAN, ONCE AGAIN, BE OPEN TO THE PUBLIC.

AT THIS POINT, I WOULD LIKE TO MAKE A SWITCH TO A NEW ISSUE: ABANDONED MINES. THE TWO WESTERNMOST COUNTIES IN MARYLAND ARE MORE SIMILAR, IN MANY WAYS, TO APPALACHIA THAN THEY ARE TO THE REST OF THEIR OWN STATE. COAL HAS BEEN THE MAJOR SOURCE OF STABILITY FOR THEIR ECONOMY FOR DECADES. THROUGHOUT THE YEARS, MINES HAVE BEEN BUILT AND ABANDONED SO MANY TIMES THAT WE NOW HAVE MORE ABANDONED MINES THAN WORKING MINES.

IT IS BECAUSE OF THIS SITUATION THAT I CANNOT EMPHASIZE ENOUGH HOW IMPORTANT THE RURAL ABANDONED MINE PROGRAM (RAMP) AND ABANDONED MINE LAND (AML) PROGRAMS HAVE BEEN TO WESTERN MARYLAND. BOTH OF THESE PROGRAMS HAVE BEEN PRODUCTIVE IN ADDRESSING THE PROBLEMS THAT PRE-SMCRA ABANDONED MINES HAVE CREATED. DESPITE STRONG CONGRESSIONAL SUPPORT FOR RAMP YEAR AFTER YEAR, THE ADMINISTRATION HAS PROPOSED TO ABOLISH THE PROGRAM. IN MY DISTRICT, THIS PROGRAM HAS PROVIDED THE ASSISTANCE NEEDED TO RECLAIM MANY ABANDONED MINES THAT HAVE BEEN HARMFUL THE THE ENVIRONMENT OF RURAL AREAS. I URGE THIS SUBCOMMITTE TO

APPROPRIATE AN AMOUNT OF $9 MILLION FOR THIS PROGRAM, AS RECOMMENDED BY THE INTERIOR COMMITTEE FOR FISCAL YEAR 1987.

IN ADDITION, THE AML PROGRAM HAS BEEN SUCCESSFUL IN CLEANING UP MANY OF THE SCARS THAT PRE-1977 MINING HAS LEFT. BUT THERE IS MUCH WORK LEFT TO DO. I URGE THE SUBCOMMITTEE TO PROVIDE $150 MILLION IN STATE GRANT FUNDS FOR FISCAL YEAR 1987. MOREOVER, I URGE THE SUBCOMMITTEE TO CONSIDER THE NEED FOR A MINIMUM ANNUAL BASE BUDGET FOR EACH STATE IN THE AML PROGRAM. I SINCERELY BELIEVE THAT SUCH A BASE IS NEEDED IN ORDER TO ENSURE THAT STATES WHICH RECEIVE SMALL ANNUAL APPORTIONMENTS HAVE A STEADY FOUNDATION ON WHICH TO PLAN PROJECTS IN THE UPCOMING YEAR. WITHOUT THIS BASE, IT IS INCREASINGLY DIFFICULT FOR A NUMBER OF STATES TO CONTINUE THEIR PROGRAM AND ADDRESS SERIOUS AML PROBLEMS IN THE FUTURE. IN WESTERN MARYLAND, WHERE THERE IS SO MUCH LEFT TO DO, THIS SITUATION IS VERY DISCOURAGING.

MR. CHAIRMAN, THANKS AGAIN FOR ALLOWING ME TO EXPRESS MY VIEWS ON THESE ISSUES. I LOOK FORWARD TO DISCOVERING THEIR OUTCOME.

Mr. **Regula**. One question: You say you have abandoned mines. Have you had any degree of success under the Abandoned Mine Reclamation Fund?

Mrs. **Byron**. We are on that. Yes, we have. The grant program has been extensively used. It is interesting with the diversity of the districts such as mine, the two western counties, Allegheny and Garrett, which are heavy with mines, really fit into the Appalachia concept. We have working mines, abandoned mines, and the rent program has been extensively used.

I find the fact that the funding levels there are currently up and down is making it extremely difficult for us to continue programs that have begun on mine reclamation. That program is doing wonderful. It has been very, very productive at a nominal amount.

Mr. **Regula**. The second question is, when do you finish the four-lane highway from the mountain cut to Cumberland?

Mrs. **Byron**. We have good news on that. The current Governor, who hopes to be our Senator, and the current Mayor, who hopes to be our Governor, have banded together and really worked on that. I think we are going to find that is a reality. The national freeway is going to be living and alive. It is good news, too.

Mr. **Regula**. Thank you.

Mrs. **Byron**. Let me touch really on the C&O Canal, simply because the damage that it sustained last year in the November flood—the park has accomplished an enormous amount on cleanup with a very low budget and some emergency funds that came about last year. We have had over 1,100 people that expressed interest in giving their time to help clean away the debris along the canal, which is a vital link from Cumberland to Georgetown and the Washington area. Once that debris is removed, the work will have to begin to rebuild the towpath in many areas.

I think the public has been precluded from using sections of the canal right now. At the same time, there is a heavy usage on those sections that are in a fragile state until they are rebuilt. I think that is a natural resource that we need to look at strongly.

The new issue of abandoned mines, I touched on that already. The grant program is one that, as I said, had heavy, heavy usage in the district.

It seems that I have come before you with a very full plate of requests, but I think I have a district that serves a very large public population within the Washington metropolitan, Baltimore metropolitan, Philadelphia metropolitan areas. Therefore, I think it is only natural that we need to maintain what we have in our vital resources of the national parks.

Mr. **AuCoin**. Bev, do you know how many miles are closed on the C&O towpath?

Mrs. **Byron**. I think we have had three or four different areas of varying lengths. I know we had a 50-mile hike, which is a traditional race, last November. The Park Service worked extremely hard to get that open. It is the JFK National 50-Mile Hike. It has been 20-some years on the canal. They did a yeoman's job to open some sections that shouldn't have been opened for a one-day period.

Consistently, I come in along the canal on a daily basis. I can see the trucks down in the Georgetown area working to rebuild that section of the canal.

What we had were massive pockets of towpath wipeout. We are going to take a lot of hard work, just really cleaning up.

On June 1, the national Boy Scouts are going to band together and are going to do a massive weekend cleanup project on the canal.

Mr. AuCoin. You are asking for $2 million?

Mrs. Byron. They are asking for more. I am here to say $2 million is urgently needed.

Mr. AuCoin. More would be better?

Mrs. Byron. More would be better.

Mr. AuCoin. Thank you very much.

Thursday, April 17, 1986.

OUTER CONTINENTAL SHELF OIL AND GAS LEASING

WITNESS

HON. ROBERT E. BADHAM, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. AuCoin. Mr. Badham.

Mr. Badham. Thank you. I appreciate very much the opportunity to come before this subcommittee.

I doubt if it is any surprise to the members of this committee, the reason I am here; that has to do with the appropriations for the Department of the Interior as it affects the offshore leasing of oil and gas, OCS, off the coast of California.

Mr. AuCoin. Do you think we should invoke a moratorium in this year's appropriations bill?

Mr. Badham. Exactly. You guessed it.

I would now like to give you my reasons for that. I will summarize my statement and offer it for the record.

Last December, the Congress did approve an amendment to the Continuing Resolution having the intent to solve the OCS problem off the West Coast by creating a negotiating team to work with the Department of the Interior and the Secretary to address this problem and come to an adequate and equitable solution. The negotiations were called for establishing a team made up of California members and members from other parts of the country. The purpose was clearly to assure that California and others would be able to express themselves in negotiations with the Secretary of the department.

I have, as have others who are vitally concerned, monitored this, and we find that very little has been accomplished as far as negotiation occurring. A workable plan has not come forth. The negotiating team has informed me they have only completed the information-gathering stages and not yet begun discussing anything, and this is not the fault of the congressional team. It lies mainly with the department.

Mr. AuCoin. What is wrong with the department?

Mr. **Badham**. Do you have an hour for me to testify on that, Mr. Chairman?

Secretary Hodel——

Mr. **AuCoin**. He came to you one time, didn't he?

Mr. **Badham**. In my view, that was not as much of an agreement as was felt by some members of the delegation from my state of another party. I can understand that. If it were another Secretary of the Interior, I might have had that attitude.

I thought the groundwork was laid. We were at a workable stage. So, basically, yes, that was agreed.

The Secretary came out to California at my invitation and ran into stiff opposition everywhere he went. It started up near your border, Mr. Chairman, and said everything is go; and by the time he got to the central part of California, he said it is iffy. By the time he was down to southern California, and my coastline, he said it looks like we are going to have to go back and rework this.

Mr. **Regula**. How many miles of coastline do you have?

Mr. **Badham**. I can't even tell you.

In my district?

Mr. **Regula**. Yes.

Mr. **Badham**. Oh, probably 30 miles.

The Governor of our state, who was from Long Beach, California, which is one of the areas of the original oil finds in California, was a strong advocate of OCS leasing and exploration. He has come to the conclusion—and is moving farther and farther toward my position—"Wait a minute, the Secretary is not playing fair with the people of the State of California." That is not because of revenue, other things; it is because of the disregard for the sensitivity of that coastline.

When my good friend and former colleague, Governor Deukmejian, can come to that position against the Department of the Interior, I think we are in trouble.

So, basically, I am asking that language be put in to go back to the moratorium, temporarily, that occurred between 1981 and 1985.

Mr. **AuCoin**. Do you think that will help expedite it?

Mr. **Badham**. I think it will put us back mandatorily on a level playing field.

Mr. **AuCoin**. Do you believe negotiations are more likely with that built into the bill?

Mr. **Badham**. Absolutely. I think the Governor would be happy. I think Secretary Hodel would be brought into the realm of reality. I think the California delegation basically would be happy.

Mr. **AuCoin**. You have taken a back seat to no one on terms of national security. The argument is made we need to be energy-independent in order to be secure militarily. Yet, you feel that this moratorium is needed.

With your credentials on national security matters, I think that is an important testimony you have made here.

Mr. **Badham**. Thank you.

I find no qualms about that position; one, because the resource is at best questionable in a large part of the area of California; two, at the price of oil, instead of selling Elk Hills, we ought to be buying oil right now; three, why, when at least one major oil company has shut down 1,200 producing wells in the State of California simply because it is too costly in labor and equipment and machinery to keep drilling wells drilling because of the world price of oil, because particularly in my area, with the Clean Air Act, which I support, my county is in noncompliance and new oil drilling off our coast would put Orange County farther out of compliance if it were allowed, and the price of oil and the shutting down of wells, all those things—it seems ridiculous to me that the Secretary should be pursuing this at really a break-neck pace.

So, I would ask that the moratorium be put into effect temporarily until we get these negotiations resolved.

[The statement of Mr. Badham follows:]

TESTIMONY OF THE HONORABLE ROBERT E. BADHAM

BEFORE THE SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS

U.S. HOUSE OF REPRESENTATIVES
APRIL 17, 1986

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to address you today to discuss the FY 87 appropriations for the Department of Interior as it relates to the outer continental shelf oil and gas leasing program off the coast of California.

Last December Congress approved an amendment to the Continuing Resolution that was intended to resolve the ongoing conflict over the status of these offshore areas. The legislation directs the Secretary of Interior to make every effort to resolve the outstanding conflicts with respect to future leasing of lands on the California outer continental shelf. In order to accomplish this objective, it calls for negotiations and establishes a Congressional negotiating team made up of California Members and key Members of the appropriate authorizing Committees of both the House and Senate.

I believe that the purpose of the legislation was to ensure that the California Members would have the opportunity to play an integral role in developing a balanced oil and gas leasing plan that expands OCS activities, while at the same time taking into consideration the legitimate environmental and economic concerns of the State and the communities.

Since passage of this legislation, I have closely monitored the negotiating meetings and am aware of the progress, or lack thereof, that has been made so far. While it appears that negotiating sessions have been taking place, I think it is evident to all Members involved that very little has been accomplished thus far in resolving the outstanding conflicts and coming up with a workable plan. In fact, I have been informed by my colleagues on the negotiating team that they have only just completed the information gathering stages and have not yet begun discussing any concrete proposals.

At the same time that these negotiations and bargaining sessions are going on, I regret to say that Secretary Hodel has felt compelled to proceed with the lease sale process in California even before any sort of conclusive agreement has been reached. Not only is the Secretary going full speed ahead with the leasing program, he has also significantly expanded the proposed planning areas off Northern and Southern California. Under the current budget restrictions, does it make sense to provide money for the Interior Department to pursue lease sales when the terms of the sales are supposed to be dependent on the congressionally-mandated negotiations and could be significantly impacted by the negotiations, if the negotiations are bonafide?

With these thoughts in mind, the reason I've come before you today is to request that the moratorium which was in place during Fiscal 1981-1985 be reinstated for the purpose of allowing the Interior Department and the negotiating team to reach a viable agreement. It is my concern that if the moratorium is not in place than the Secretary will continue with his own set of facts and agenda without relying on the new information that has been presented this past year. Without some assurance that the leasing process will be delayed for the purpose of working out a reasonable plan, I find it hard to believe that fair and worthwhile negotiations can continue in a good faith manner. If the Secretary does indeed have faith in the ability of the negotiators to resolve their differences and come up with a workable plan, than there would be no need for the Interior Department to continue with its California lease sale proposals until such time as the negotiations yield an acceptable agreement.

I believe the reasons that Congress voted to approve the moratoria in the past are just as valid today as they were before. Since the inception of the first moratoria in 1981, concerns regarding the impact of OCS activities on the environment and the existing economies have not been fully addressed by the Interior Department. Therefore, before any further steps are taken in the leasing process, I think that these issues need to be adequately resolved.

As I have in many other hearings on this matter in the past year, I would like to again express those concerns that are vitally important to the District I represent. First of all, it is my belief that the costs of developing oil on the outer continental shelf offshore Orange County would far outweigh the benefits derived from the economic base that already exists. I can not see any reason to jeopardize Orange County's thriving tourist-based economy that generates more that 10,000 jobs in the region and $4 billion in annual revenues, especially when the resource potential is of questionable value. Another outstanding issue that needs to be resolved is the air quality issue. In recent studies, it has been proven that offshore oil platforms emit a substantial amount of pollution. With Orange County already failing to meet the Federal air quality standards, it is evident that additional emissions from offshore and onshore support facilities would only exacerbate the existing air pollution problem in the area. Finally, in light of the current oil situation, both at a national and global level, I see no reason to proceed with OCS development in a hasty manner when the long-term consequences to both the environment and existing economies could be devastating.

Until the conflicts are resolved through negotiation, a level playing field must be maintained so the issues can be fairly and thoroughly addressed. Your support for the moratorium will help insure that the process initiated by last year's Continuing Resolution is completed through meaningful and good faith negotiations.

Mr. **Regula**. Do you think you have had any influence on Governor Deukmejian?

Mr. **Badham**. Absolutely not.

Mr. **Regula**. Secondly, this is really an appropriate topic for the authorizing committee. It doesn't belong in the appropriations bill.

Mr. **AuCoin**. There is precedent for that.

Mr. **Regula**. We could eliminate the authorizing committee.

Mr. **AuCoin**. That is not a bad idea.

Mr. **Badham**. I understand your point. Yes, we are attempting to do the same thing in the authorizing committee because, up until now, we were hoping, as many politicians are, in an optimistic fashion, to achieve some greater negotiation ability with Secretary Hodel. It has not occurred.

Mr. **AuCoin**. If the gentleman would yield, we are talking about—and I think that is what Mr. Badham is saying—about a limitation on funding here, which is a routine practice within the Appropriations Committee. It is not limitation. It is routinely done.

Mr. **Badham**. It is not only precedential in this area.

Mr. **Regula**. We tried for six years to routinely do this. It could be the authorizing committee doesn't want to do it.

One other thing. I should say, in fairness to the Department of the Interior, they have participated actively in all the negotiations of the commission that is trying to solve this problem; and secondly, what they are doing as far as their five-year plan is entirely consistent with the language in the Continuing Resolution, which reflects congressional policy on which we told them to go forward. I don't think they are abusing any discretion that lies within their area of responsibility.

Mr. **Badham**. In all due respect, my good friend, to the department, I just don't agree with that.

Mr. **Regula**. I understand. That is why we have these kind of forums. I think they have attempted to. Obviously, there is a disagreement as to what should be put out of bounds. That is what we are discussing.

Maybe I should ask you, do you think that it ought to be a total moratorium or on selective tracks?

Mr. **Badham**. That is what the negotiation, as I understand it, is all about. Where are the ground rules? What are we going to discuss eliminating from the lease over? If the moratorium were couched in such terms as we eliminated certain tracks, there wouldn't be any need for the moratorium anyway, because then the decision would be made.

I think until we can put ourselves back on a level playing field and get the negotiations going, that we just stop where we are, say okay, let's do what we are supposed to be doing.

Mr. **Regula**. Thank you, Mr. Chairman.

Mr. **AuCoin**. Thank you very much, Bob. We appreciate your testimony. I think you will find in a bipartisan spirit you have a lot of friends on the Democratic side.

Mr. **Badham**. That makes it bipartisan, me and all the Democrats.

THURSDAY, APRIL 17, 1986.

LOWER RIO GRANDE VALLEY NATIONAL WILDLIFE REFUGE

WITNESS

HON. SOLOMON P. ORTIZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. AUCOIN. Mr. Ortiz.

Mr. ORTIZ. Thank you, Mr. Chairman.

I want to thank you for allowing me to appear before this committee on behalf of funding for a national wildlife refuge which is partly located in my congressional district in south Texas.

Rather than read my statement, I would summarize my request and ask the statement be submitted for the record.

Mr. AUCOIN. Without objection.

Mr. ORTIZ. I request the subcommittee appropriate $6.8 million for land acquisition for the Lower Rio Grande Valley National Wildlife Refuge. This money would be used to purchase 4,300 acres of land from willing sellers. I think this is very important now that because of the construction going on around it in the cities there. At this point we do have willing sellers who are willing to sell some of this land.

The Lower Rio Grande Wildlife Refuge is home to many species. In addition to the environmental merit of purchasing land, the refuge enjoys wide local support there. We have approximately almost 15,000 acres of land at this point. I hope the committee gives us some funding.

I understand there is approximately $4 billion under the funds that could be used. I certainly appreciate you allowing me to testify.

[The statement of Mr. Ortiz follows:]

Congressman Solomon P. Ortiz
Testimony before the Interior Appropriations Subcommittee
April 17, 1986

Mr. Chairman, and members of the Subcommittee, I appreciate having the opportunity to testify today on behalf of funding for a national wildlife refuge in South Texas. I would like to urge the members of this Subcommittee to appropriate $6.5 million for land acquisition for the Lower Rio Grande Valley National Wildlife Refuge which is partially located in my Congressional District.

As you know, the Administration proposes no new land acquisitions for FY87 from the Land and Water Conservation Fund. It is my understanding that this fund, which was created specifically for the purpose of public land acquisition, has $4 Billion in reserve from monies already collected from the sale of surplus Government property, recreation fees and OCS leases and royalties. Although I believe that the Congress must seek ways to curtail unnecessary Government spending, I also believe that we should continue to appropriate already collected funds to protect important fish and wildlife habitat.

The $6.5 million which I am requesting for the Lower Rio Grande Valley National Wildlife Refuge, Texas, would purchase

4,300 acres of land from willing sellers. This wildlife refuge, which represents approximately 10% of all remaining brushland in Texas, has been designated by the Fish and Wildlife Service, as well as various environmental groups, as one most critically in need of land acquisition.

The Lower Rio Grande Valley contains 10 distinct native brushland communities and shelters an exceptional abundance and diversity of wildlife. The Valley is home to several endangered species, including the endangered oceolot, jaguarundi, bald eagle and peregrine falcon. Additionally, many bird species and reptiles, who are at their northernmost range and are found nowhere else in the U.S., reside in this ecologically unique area.

Besides the strong environmental incentives to acquire additional land for the Lower Rio Grande Valley Wildlife Refuge, there is strong local support. The wildlife refuge attracts many visitors each year which draws badly needed tourist dollars to an economically depressed area. The refuge also supports many recreational activities such as seasonal hunting.

Because of the ecological significance of the Lower Rio Grande Valley, the economic value to South Texas and the broad-based support for the refuge, I urge the members of this Subcommittee to appropriate $6.5 million to acquire 4,300 acres of this most important area.

Mr. AuCoin. We appreciate your testimony. We appreciate the support you have given this subcommittee on the bills we have brought to the Floor.

Thursday, April 17, 1986.

NATIONAL PARK SERVICE, FOREST SERVICE, BUREAU OF MINES

WITNESS

HON. JAMES L. OBERSTAR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. AuCoin. Mr. Oberstar.

Mr. Oberstar. Thank you very much, Mr. Chairman, for the opportunity to come to the committee once again, as I have done for several years, to appeal for funding of projects within our district, many of which have been included in the administration's budget and a few of which have been ignored, but which this committee has, in its good judgment, decided to add to those budgets.

I have, on several previous occasions, reported on the progress made as a result of those investments. Once again, I would like to do that. I won't go into all the details of the prepared detailed statement which you can include in the record.

Mr. AuCoin. We will include it in the record.

Mr. Oberstar. I would like to address the activities of the National Park Service, the Forest Service, and the Bureau of Mines in ways that those activities affect my district.

The National Park Service operates two major functions—the Voyageurs National Park, the largest water-based park in the United States, and Grand Portage National Monument, along the north shore of Lake Superior, ceded by the Grand Portage Indian Reservation as a national monument.

At Voyageurs National Park, some $275,000 of Federal funds has already been invested in restoration of the Kettle Falls Hotel, a historic outpost of civilization in the early days of the logging industry. It was a brothel at the time of its installation. It has gone through considerable transformation, but remains a historic landmark and should be preserved.

The Park Service recognizes that was one of the main reasons for including that area in the National Park. I would ask the committee to include just under $200,000 for the renovation already planned, designed, developed by the National Park Service for the Kettle Falls Hotel.

This brings tourist dollars into the eastern end of the National Park. It will not be administered in its former function, I assure the committee.

Mr. AuCoin. Glad you clarified that for us.

Mr. Oberstar. The southern——

Mr. AuCoin. You did say restoration. You didn't say renovation.

Mr. Oberstar. Restoration to an earlier physical grandeur, not to an earlier operating status, Mr. Chairman.

The southern end of the park needs a visitors' center if it is going to attract the tourism dollars needed in the area. A $140,000 request would provide for the center, the utilities, the construction of the basic facility itself.

The National Park Service has included in its budget for Grand Portage National Monument $3 million for an interpretive center including an Indian history museum, history of the fur trade, library maintenance facilities, seasonal housing, and so forth, all of which would make Grand Portage National Monument a very significant economic development boon for the Grand Portage Indian Reservation.

As under the agreement between the reservation and the Park Service, all the employees, to the fullest extent possible, will be members of the Grand Portage Band of the Chippewa Indians. This part of the north shore is heavily dependent on tourism.

With respect to the Forest Service programs for the Boundary Waters Canoe Area—and I know the Chairman is very familiar with the intense debate over establishment of wilderness in the BWCA and making that a permanent wilderness—at the time the language was written and the legislation enacted into law, the commitment was made by the Congress to the people of northern Minnesota that in exchange for removing from further timber harvesting the extensive stands within the BWCA, funds would be provided over an extended period of time for restoration, intensification, improvement of forestry on the cut over and burned over lands outside the Superior National Forest.

That work has gone on. In just the last year, with the 80/20 percent—80 percent Federal, 20 percent state—match, $3 million Federal funds and comparable state funds, just last year alone 22,363 acres of land have been restored with new seedlings planted, road construction, maintenance on 776 miles of road, 21 million seedlings planted, some nearly 3 million cubic feet of timber harvested and marketed from that, just within this one last year.

The investment of the previous years is beginning to pay off. For next year, 20,500 acres for restoration, 24 million seedlings to be planted, road maintenance, and 600 acres of forestry land could be intensively developed.

Mr. Chairman, with an area in the northern part of my district that has severe economic distress, principally from the decline in the steel industry and its impact on iron ore mining and other problems we have had as a result of the conversion to wilderness, we are now turning that around. We have unemployment ranging from 14 percent to 18 percent in numerous counties in my district.

The only bright spot has been the investment in the development of wood fiber-related industries. Lake Superior Paper Company is going to be establishing a Duluth—based upon projections, these investments will be made. Louisiana-Pacific has opened a mill along the north shore.

Mr. AuCoin. That is good. They are pulling out of my district. I am glad they are going somewhere.

You need $3 million to keep this reforestation program going?

Mr. Oberstar. And the administration has submitted a $2.8 million budget, almost a 10 percent cut. $200,000 restores the promise made to the people of northern Minnesota.

There are two other items for campsites, trails, development for tourism in the Superior National Forest outside the BWCA, a total of roughly $300,000 for these various management projects that are tourism-related. If that is all we are going to be able to do in northern Minnesota, please provide the funds with which to do it.

The final question, Mr. Chairman, is to restore the fiscal year 1986 base item of $8.3 million for the Federal mineral institutes, which is doing work on utilization of low grade ore in northern Minnesota. We now have a joint venture of U.S. Steel and Cork Industry of Germany on a new direct reduction type of processing of iron ore directly into a steel, I think, for marketing in competition with foreign imports, which we will be able to compete at $20 to $30 a foot less than the imports.

This research project has been the key to this development. If we cut the funding out, where will we go to the future? They wanted to eliminate the entire $8.3 million program.

Mr. AuCoin. Zero out the program?

Mr. Oberstar. Yes.

The State of Minnesota has established the Natural Resources Research Institute using an abandoned Air Force—the Air Force pulled out, pulled a $23 million payroll out from under our feet. The state has converted that facility into a research center.

Now, the Federal Government, having once taken a $10 million payroll and then a $20 million payroll out of the area, they want to now take $10 million out of research. The people of northern Minnesota are ready to cede from the union, declare war, lose and get foreign aid.

Mr. Murtha. Anything you want, Mr. Oberstar.

Mr. Oberstar. That sums it up.

[The statement of Mr. Oberstar follows:]

STATEMENT OF THE HONORABLE
JAMES L. OBERSTAR
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS
APRIL 17, 1986

Mr. Chairman, Members of the Subcommittee: The importance of my appearance before your Committee this morning, to my Congressional District, cannot be underestimated. No other Subcommittee is as important or critical to the maintenance and development of our natural resources and resource-related jobs, as this one. My District includes Voyageurs National Park — Minnesota's only national park; the Boundary Waters Canoe Area Wilderness — the largest wilderness east of the Rockies; the Superior National Forest, the Chippewa National Forest, Grand Portage National Monument, the St. Croix Wild and Scenic River, and the Upper Mississippi River.

Your Subcommittee has been sensitive to the need for funds to protect and develop our precious resources. This is the eighth year I have appeared before the Subcommittee and I am optimistic that you will again be supportive of our legitimate needs. The Subcommittee is regarded throughout my District as a compassionate, concerned body, whose support has been an integral factor to the implementation of several of our conservation and resource-development projects.

For those Members of the Subcommittee who have had the opportunity to travel to northeastern Minnesota and see firsthand the areas of which I speak, you know how important federal dollars are to the region's upkeep. People in my area recognize that our natural resources are a unique gift, and that our possession of this gift is only temporary, but during that time, we are obligated to care for them and leave them somehow better than they were before.

And we know that without the support of the Interior Subcommittee, it will be virtually impossible to achieve the agenda we have outlined for these resources. We have consistently faced opposition from an Administration which does not prioritize the need to protect and enhance our natural resources. So our task is formidable, but with the support of the Interior Subcommittee, our goals are attainable.

The Boundary Waters Canoe Area Wilderness Act of 1978, P.L. 95-495, authorized several programs which significantly altered our traditional uses of the BWCA. Adherence to federal regulation of previously unregulated lands has for the most part been a learning process, through which the government, northern Minnesotans and BWCA-user's seek to coexist. The enactment process had been divisive within Minnesota because there were considerable doubts as to the willingness of Congress to fulfill commitments made in the 1978 Act.

The appropriations process that first year was critical to the faith of the people in the legislative process. Congress, and particularly the Subcommittee, responded by providing the promised funds.

But in the years since, we have been disappointed by both the Carter and the Reagan Administration's inadequate funding requests. Pleading our case before this Subcommittee has become a rite of Spring for northeastern Minnesotans concerned with the future of the BWCA.

Historically, with respect to the programs authorized by P.L. 95-495, the amount approved by this Subcommittee has always been the amount actually signed into law by the President after the Appropriations bill has gone through the full Committee, the House, and the entire process again in the Senate.

The President's Fiscal Year 1987 budget request is a setback to our conservation and development needs. It provides a $2.8 million request for the State's Intensive Forest Management Program. The 1978 Act authorized a $3 million grant annually for the State to intensify forest management activities to offset loss of timber as a result of the Act's prohibition against timber harvest in the BWCA. The 1978 Act requires that the state match the federal grant on an 80-20 basis. The state has consistently provided its matching portion, with the strong support of Governor Rudy Perpich.

Development and promotion of the wood fiber resources is rapidly becoming an economic alternative for regions that have lost traditional sources of revenue due to changes in the economy. Every cent of BWCA forest management funding channeled through state and county programs has been put to good use, both in terms of forest development and in providing new job opportunities.

Development has occurred throughout the wood fiber industry. The Minnesota Department of Natural Resources reports that program accomplishments during fiscal 1985 include reforestation of 22,363 acres, road construction and maintenance of 776 miles; utilization and marketing of 2.91 million cubic feet of timber, and production of 21.5 million seedlings, shipped ~~to~~ from 2 state nurseries.

Targets for Fiscal Year 1987 include: reforestation of 20,500 acres; road maintenance of 600 acres and shipment of 24 million seedlings.

Since enactment of P.L. 95-495, the reforestation provisions of this legislation have become critical in attracting new wood products companies into the region. In Hibbing, an Industrial Wood Products Park has been constructed which will ultimately house all wood products manufacturers. Plans are underway in Duluth for the construction of the Lake Superior Paper Company which, when constructed, will employ over 1,600 building trades people over the peak of construction and create over 600 permanent jobs. In eight years, Minnesota's forest products industries have invested over $500 million in new and expanded processing facilities.

We cannot afford to risk a setback in the development of the wood fiber industry, which is playing an integral part in our economic recovery. Failure to receive the full $3 million federal contribution to the reforestation program will be an unwarranted blow to our forest development programs.

The Wilderness/Recreation Administration Program at the Superior National Forest is the program portion of the Forest Service's budget which actually manages the Boundary Water Canoe Area Wilderness. The BWCA Wilderness is the largest unit of the National Wilderness Preservation System east of the Rockies, and is the most heavily visited wilderness area in the entire system. The BWCA Wilderness has seen approximately one million visitor-days of recreation use each year for the past decade. Managing such immense numbers of visitors requires a strong coordinated program based in the Forest Supervisor's office in Duluth, as well as visitor services in the District Offices and trail crews 'on the ground' and out in the BWCA.

Unfortunately, the Superior National Forest's Wilderness Recreation portion of the budget sustained a $250,000 cut in FY'86. That cut in funding level has continued through the FY'87 budget. The Forest Service has done an admirable job in trying to cope with this cut, and has placed greater emphasis on utilizing a volunteer program, centralizing the BWCA permit operation in the Duluth office, etc.

But there are limits to these belt-tightening efforts before the BWCA is seriously impaired. The Forest Service, for example, has reduced to near zero its campsite maintenance and rehabilitation work, trail and portage work, litter pick-up and similar on-the-ground activities. With next to nothing for the promising User Education Program in the Wilderness Management budget, the efforts to reach the massive numbers of BWCA visitors and educate them on appropriate use and minimum impact will result in increasingly heavy human impacts on the BWCA resources.

I urge the Subcommittee to restore the $250,000 budget cut in Recreation funds for Superior National Forest. It is important that funds be earmarked to restore and expand recreational facilities throughout the BWCA.

VOYAGEURS NATIONAL PARK — Voyageurs is Minnesota's only national park — unique in that almost 2/3 of the area is water. It is a beautiful park which was established by Congress in 1975. As word of Voyageurs spreads, the need to modernize and expand its facilities becomes critical.

Despite delays in the planning process, and Administration and Senate reluctance to approve construction funds, the necessary funds for a Visitor's Center were obtained in fiscal 1984. Persistence and dedication enabled us to break ground last summer. We expect the Visitor's Center to open sometime in 1987. I do want to stress at this time that this facility would not have been possible without the support of this Subcommittee.

The Subcommittee has also been supportive of our land acquisition program, which has yet to be completed. In 1982, when I testified before the Subcommittee, I said that I believed we could essentially complete land acquisition in the period spanning fiscal years 1983-1985, by providing approximately $4 million annually in each of those three years. In that year Congress passed my bill which increased the authorization level by approximately $12 million. Unfortunately, FY'84 was the last year funds were appropriated for land acquisition.

I am requesting $4 million to purchase 70 tracts (1900 acres) in Voyageurs National Park. These funds would be used for court award payments and toward willing-seller purchases.

Next year, the Park Service plans to open a visitor center at Black Bay — a badly needed center I might add. But, budget cuts threaten to thwart these plans. I am requesting $140,000 for full-time and seasonal personnel, as well as the cost of utilities and operating expenses. The President's budget contains no appropriation for operations at the Black Bay facility which necessitates this request.

In addition, the Park's historic Kettle Falls Hotel is desperately in need of extensive rehabilitation both for safety and health reasons. Facilities at the hotel include three cabins, the hotel itself, and an annex, each of which cannot meet health code standards.

The Park Service proposes to repair, renovate and construct at the hotel site to make the facility operable. Currently, the Kettle Falls Hotel structures can house sixty people, but compliance with safety regulations will result in the loss of approximately 38 beds.

Phase II funding is estimated at $1.99 million. This will fund the construction of satellite guest housing to replace lost beds. It will also provide for the installation of sewage, electricity and water lines.

The Kettle Falls Hotel has the potential to be a major attraction for Voyageurs National Park. I urge the Subcommittee to fund the entire $1.99 million project.

GRAND PORTAGE NATIONAL MONUMENT — In 1951, Secretary of the Interior Oscar L. Chapman declared that "the historic Grand Portage Trail between Lake Superior and the Pigeon River in northern Minnesota, is of National Significance because of its important association with the fur trade, the exploration and colonization of the Northwest and its location as a historical and geographical link between the United States and Canada."

Grand Portage represents a unique chapter in our nation's fur-trapping industry. And in the spirit of maintaining the monument's historical perceptions, it is imperative that federal funding be available to insure its future, and allow visitors to appreciate and learn its historic traditions.

The need for a Visitor's Center at Grand Portage remains strong. A proposed facility has been developed to provide proper exhibition and interpretation for the thousands of artifacts that have been discovered at Grand Portage. The complex includes a museum, library, information service, administrative headquarters, maintenance facility and seasonal housing. With your help last year, $275,000 was appropriated to formulate this plan.

The cost estimate to construct this badly needed facility is $3.1 million. This project has the enthusiastic support of the Indian people of Grand Portage, and the Reservation's Business Committee.

The amount of visitors to Grand Portage has increased 29% over the past three years.

Enthusiasm abounds among all those connected with the project. We are convinced that the Visitor Center will not only expand on the Grand Portage tradition, but will provide a badly needed shot in the arm to the floundering Cook County economy.

I am requesting that the Subcommittee approve $3.1 million to make the long overdue Visitor Center a reality. It is a good proposal; it is cost-wise; and it is worthy of your support.

MINNESOTA VALLEY WILDLIFE REFUGE — The Minnesota Valley National Wildlife Refuge, originally authorized by Congress in 1976, extends from Fort Snelling State Park in the southern suburbs of Minneapolis, upstream to Carver Rapids near Jordan. The Refuge is composed of a series of flood plain marshes along the main channel of the Minnesota River. The valley bluff, lakes and marshes provide for twenty-four species of waterfowl along with 250 other species of birds, in addition to fish and about fifty different kinds of mammals.

While the Refuge is managed primarily to protect and enhance wildlife resources, its location in a metropolitan area increases its values as an educational and recreational area. The visitor's center, to be located in Bloomington, is expected to attract between 500,000 and 750,000 visitors a year, providing a major boost to the tourism industry in the Metro area.

Last year we received $2 million for land acquisition and $600,000 for the design of an Interpretative Center. In total, the federal government has invested $9.6 million toward development of the refuge.

This year, I am requesting $9 million for land acquisition and construction. $3 million for land acquistion is urgent to preserve the ecological integrity of the refuge.

FEDERAL MINERAL INSTITUTES PROGRAM —Minnesota is a leading minerals state and has the potential to develop new minerals important to our quest for energy independence. In 1984, Congress recognized the significant contributions of the Mineral Institutes by reauthorizing the program for an additional five years. In FY'86 the program received almost $8 million, but was not included in the President's FY'87 budget.

The Minnesota Mining and Mineral Resources Research Institute at the Mineral Resources Research Center (MRRC) has done valuable studies, particularly in the area of iron ore. The iron ore industry represents 55% of the gross regional product of my northeastern Minnesota Congressional District, and thus research by the MRRC has directly affected the efficiency and competitiveness of this market. One such venture is the Institute's plasma laboratory for research into iron ore and chromite reduction and into cement technology.

Continued denial of funding would be a gross injustice to both the program and the nation. I urge the Subcommittee to approve $8.3 million for this program to continue.

RIVER RECREATION PROJECT — The River Recreation project has conducted important recreation research for the Boundary Waters Canoe Area Wilderness since the mid-1960's. The Project operates from the North Central Forest Experiment Station at the University of Minnesota campus in Saint Paul, and has engaged in diverse projects including forest management, wildlife research, fire ecology and recreation. Initiatives of the River Project have been used for the BWCA to implement its complex Visitor Distribution Program.

In FY'86 the project's $300,000 budget was cut by $50,000. An additional $54,000 budget cut for the Project is scheduled for FY'87. The effect of these cuts would be detrimental to the development and promotion of river recreation.

I urge the Subcommittee to restore the $104,000 cut in this important program.

STATE AND PRIVATE COOPERATIVE PROGRAM — I have one final request to make of the Subcommittee, and that is to restore funding of the state and private cooperative program to its approximate FY'85 level, which was the last year the program was allowed to operate at a respectable level.

This program provides essential assistance to state forestry in area forest pest management, fire protection, forest management and utilization, including the nation's urban forestry program.

In FY'85 Congress appropriated $57.9 million for this program. Unfortunately, the Administration proposes a budget of only $24.8 million in fiscal 1987 — a 56% reduction over the 1985 appropriations.

I urge the Subcommittee to approve $55 million to continue this program at an operable level.

Again, I want to thank the Subcommittee for the tremendous job it has done over the years, insuring that Congress appropriates an adequate level of funding for federal natural resource programs.

Mr. AuCoin. This budget submission will cost jobs in your district, and you are turning to us for help?

Mr. Oberstar. You are an environment committee, but one that has tremendous economic impact. It is our resources based economy that is dependent on the work of this committee.

Mr. AuCoin. We appreciate your testimony. We appreciate your ongoing support of the bills we have brought from the committee to the Floor, as well.

Thursday, April 17, 1986.

FOSSIL ENERGY

WITNESS

HON. JIM LIGHTFOOT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA

Mr. AuCoin. Mr. Lightfoot.

Mr. Lightfoot. I don't want to ask for more money, just what we have coming. I will take a different attack this morning.

We, in Iowa, are not considered as one of the larger coal-producing states, but in my district alone, we have 74 abandoned coal mines in need of reclamation. At least half of these mines pose threats to the health, safety and general welfare of the people in the district. We have the state's largest and most dangerous abandoned site, known as the Wilcox site, in Marion County. It is a concern for the people in the district that brings me here today.

We, in our state, don't have as many sites as other states do. Yet, because of the location of our sites and the proximity to populated areas, they pose extreme hazards. Despite the existence of these hazards, the Office of Surface Mining is planning to reduce Iowa's share of AML money from $4 million a year to $722,000 per year. This reduction of over 80 percent is simply unacceptable.

I strongly oppose the change OSM has made with the allocation formula. In its place I feel that each and every AML program should be guaranteed an annual minimum base operating budget of $2 million for high priority AML problems. The $2 million would be taken from the Secretary's discretionary portion of the collected revenues and would be separate and in addition to the state share, as was intended and provided for by Public Law 95-87.

It should be noted that in 1985, OSM committed $4 million a year to the Iowa AML program. Based on this commitment, Iowa proceeded to design projects for future grants. Included in this design effort was the design of the Wilcox reclamation project, the largest AML site in Iowa. Construction of this project would greatly improve the environment and protect the people of Marion County, Iowa. Many deaths and injuries have occurred on this 3,000-acre site. And with the AML formula proposed by OSM, more deaths and injuries will occur.

I would also like to call to Congress' attention the unappropriated balance in the AML trust fund. At this time, according to the Office of Surface Mining, the unappropriated balance in the AML trust fund is approximately $345 million. Each year, $210 million to $220 million is collected and deposited in the AML trust fund. This trust fund is not a general revenue fund, but is made up of a tax paid by coal consumers. Most of Iowa's electricity comes from coal-fired generators using Wyoming coal, so we contribute heavily to this fund. A lot of that comes out of the State of Wyoming.

Comparing this rate of collection to OSM's fiscal year 1987 budget proposal of $150.6 million for state reclamation program grants, the amount of unappropriated AML funds will continue to rise each year. There is no good reason to allow the unappropriated balance of AML funds to increase at a time when states are letting construction contracts at prices far below the engineering estimates, of which Iowa is a good example.

In conclusion, I believe that funds need to be made available to state AML programs like Iowa's to protect the public from areas like the Wilcox site. If we are going to collect the revenues, then let's put them to use solving the problem using a formula that is fair to all states.

Again, thank you for the opportunity to bring Iowa's case before you. I look forward to working with you in any way I can to correct the problem with the OSM formula.

[The statement of Jim Lightfoot follows:]

STATEMENT OF REP. JIM LIGHTFOOT

BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON THE INTERIOR

APRIL 17, 1986

I WANT TO THANK YOU MR. CHAIRMAN, AND MEMBERS OF THE SUBCOMMITTEE FOR THE OPPORTUNITY TO BRIEFLY ADDRESS THIS IMPORTANT MATTER BEFORE YOU HERE THIS MORNING.

ALTHOUGH HISTORICALLY IOWA IS NOT ONE OF THE LARGER COAL PRODUCING STATES, MY DISTRICT ALONE HAS OVER 74 ABANDONED COAL MINES IN NEED OF RECLAMATION. AT LEAST HALF OF THOSE MINES POSE THREATS TO THE HEALTH, SAFETY, AND GENERAL WELFARE OF THE PEOPLE IN MY DISTRICT. MY DISTRICT ALSO HAS THE STATE'S LARGEST AND MOST DANGEROUS ABANDONED LAND MINE (AML) SITE, THE WILCOX SITE IN MARION COUNTY. IT IS CONCERN FOR THE PEOPLE OF MY DISTRICT THAT BRINGS ME HERE TODAY.

IOWA DOES NOT HAVE AS MANY AML SITES AS OTHER STATES. YET, BECAUSE OF THE LOCATION OF OUR SITES AND THE PROXIMITY TO POPULATED AREAS, THEY POSE EXTREME HAZARDS. DESPITE THE EXISTENCE OF THESE HAZARDS, THE OFFICE OF SURFACE MINING (OSM) IS PLANNING TO REDUCE IOWA'S SHARE OF AML MONEY FROM 4 MILLION DOLLARS A YEAR TO $722,000 PER YEAR. THIS REDUCTION OF OVER 80 PERCENT IS SIMPLY UNACCEPTABLE.

I STRONGLY OPPOSE THE CHANGE OSM HAS MADE WITH THE ALLOCATION FORMULA. IN ITS PLACE, I FEEL THAT EACH AND EVERY AML PROGRAM SHOULD BE GUARANTEED AN ANNUAL MINIMUM BASE OPERATING BUDGET OF $2,000,000 FOR HIGH PRIORITY AML PROBLEMS. THE $2,000,000 WOULD BE TAKEN FROM THE SECRETARY'S DISCRETIONARY PORTION OF THE

COLLECTED REVENUES AND WOULD BE SEPARATE AND IN ADDITION TO THE STATE SHARE AS WAS INTENDED AND PROVIDED FOR BY PUBLIC LAW 95-87.

IT SHOULD BE NOTED THAT IN 1985 OSM COMMITTED $4 MILLION A YEAR TO THE IOWA AML PROGRAM. BASED ON THIS COMMITMENT, IOWA PROCEEDED TO DESIGN PROJECTS FOR FUTURE GRANTS. INCLUDED IN THIS DESIGN EFFORT WAS THE DESIGN OF THE WILCOX RECLAMATION PROJECT, THE LARGEST AML SITE IN IOWA. CONSTRUCTION OF THIS PROJECT WOULD GREATLY IMPROVE THE ENVIRONMENT AND PROTECT THE PEOPLE OF MARION COUNTY, IOWA. MANY DEATHS AND INJURIES HAVE OCCURRED ON THIS 3000 ACRE SITE. AND WITH THE AML FORMULA PROPOSED BY OSM, MORE DEATHS AND INJURIES WILL OCCUR.

I WOULD ALSO LIKE TO CALL TO CONGRESS' ATTENTION THE UNAPPROPRIATED BALANCE IN THE AML TRUST FUND. AT THIS TIME, ACCORDING TO THE OFFICE OF SURFACE MINING, THE UNAPPROPRIATED BALANCE IN THE AML TRUST FUND IS APPROXIMATELY $345 MILLION. EACH YEAR $210 TO $220 MILLION IS COLLECTED AND DEPOSITED IN THE AML TRUST FUND. THIS TRUST FUND IS NOT A GENERAL REVENUE FUND, BUT IS MADE UP OF A TAX PAID BY COAL CONSUMERS. MOST OF IOWA'S ELECTRICITY COMES FROM COAL-FIRED GENERATORS USING WYOMING COAL, SO WE CONTRIBUTE HEAVILY TO THIS FUND. COMPARING THIS RATE OF COLLECTION TO OSM'S FY 1987 BUDGET PROPOSAL OF $150.6 MILLION FOR STATE RECLAMATION PROGRAM GRANTS, THE AMOUNT OF UNAPPROPRIATED AML FUNDS WILL CONTINUE TO RISE EACH YEAR. THERE IS NO GOOD REASON TO ALLOW THE UNAPPROPRIATED BALANCE OF AML FUNDS TO INCREASE AT A TIME WHEN STATES ARE LETTING CONSTRUCTION CONTRACTS AT PRICES FAR BELOW THE ENGINEERING ESTIMATES, OF WHICH IOWA IS A GOOD EXAMPLE.

IN CONCLUSION, I BELIEVE THAT FUNDS NEED TO BE MADE AVAILABLE TO STATE AML PROGRAMS LIKE IOWA'S TO PROTECT THE PUBLIC FROM AREAS LIKE THE WILCOX SITE. IF WE'RE GOING TO COLLECT THE REVENUES, THEN LET'S PUT THEM TO USE SOLVING THE PROBLEM USING A FORMULA THAT'S FAIR TO ALL STATES.

AGAIN, THANK YOU FOR THE OPPORTUNITY TO BRING IOWA'S CASE BEFORE YOU. I LOOK FORWARD TO WORKING WITH YOU IN ANY WAY I CAN TO CORRECT THE PROBLEM WITH THE OSM FORMULA.

Mr. AuCoin. If I understood you right, you are supporting the administration's $150 million request for this program, is that right?

Mr. Lightfoot. Yes. We are going to support money for the program.

Mr. AuCoin. At the $150 million level?

Mr. Lightfoot. I have already—if we need some more, I would be willing to look at it.

Mr. AuCoin. You wouldn't want to fall lower?

Mr. Lightfoot. No.

Mr. Murtha. The money is taken out of——

Mr. Lightfoot. An antitrust.

Mr. Murtha. We should get out whatever is put in every year.

Mr. Lightfoot. We have the same thing on public works. These monies are tied up and it doesn't get used for what it is collected for.

Mr. AuCoin. Last year, the committee provided $156 million in funding for this program. I know you didn't support last year's bill. It is very difficult to arrange these priorities and try to meet all of the needs. That was a level of funding we were able to get for this program you are supporting today. We would like to have your support this year if we are able to duplicate what we did last year.

Mr. Lightfoot. We will look at it.

Mr. AuCoin. We appreciate that. Thank you very much for testifying.

Thursday, April 17, 1986.

NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL ENDOWMENT FOR THE HUMANITIES, INSTITUTE OF MUSEUM SERVICES

WITNESS

HON. TED WEISS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. Murtha [presiding]. We are going to abide by the five-minute rule here. Mr. Weiss.

Mr. Weiss. Thank you, Mr. Chairman.

I appreciate the opportunity of appearing before you to present my views regarding the proposal of the President for the National Endowments for the Arts and Humanities and the Institute of Museum Services, and the Historic Preservation fund. I have a prepared statement. With your permission, I will ask that be entered in the record.

Mr. Murtha. Without objection.

Mr. Weiss. As an executive board member of the Congressional Arts Caucus and representative of the district in which perhaps the greatest number of artists from various disciplines work and reside, I commend the chairman of this committee, Mr. Yates, and all the members of the subcommittee for your intelligent work and consistent support for our Nation's cultural programs. You truly have been the champions for the arts and the humanities.

It is unfortunate that we must meet this year under circumstances no better than those we have been meeting for the past five years. The President has again proposed a budget that is both inadequate and unjust. Under the President's latest plan, which is nearly identical to that which we rejected last year, the budget of the National Endowment for the Arts would be reduced by 12.5 percent, from $165.6 million to $144.9 million. The humanities funding would suffer a 9.3 percent cut, from $139.4 million to $126.4 million, and the Institute for Museum Services would be cut by 98 percent, leaving just enough to close down shop.

Special attention must be made to the plight of the Institute, because this is the fourth time that Mr. Reagan has proposed the elimination of this program, which for many of the smaller museums across the country provides the only outside operating support that is available to them. To subject the museum committee to a life or death of survival is both cruel and unnecessary.

The Congress, with your subcommittee's strong leadership, has steadfastly overcome past administration proposals to cut funding for the arts and humanities. And your task this year, I know, is especially difficult, the pressures under which you are working are tremendous, but I urge the subcommittee to weigh the true value of the arts and treat these programs fairly.

Funding for the arts is one of the best investments you can make in the future of this Nation.

I thank you very much.

[The statement of Ted Weiss follows:]

TESTIMONY OF CONGRESSMAN TED WEISS
SUBMITTED TO THE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON THE INTERIOR

APRIL 17, 1986

MR. CHAIRMAN: THANK YOU FOR THIS OPPORTUNITY TO PRESENT MY VIEWS BEFORE THE DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE REGARDING PRESIDENT REAGAN'S FISCAL YEAR 1987 BUDGET PROPOSAL FOR THE NATIONAL ENDOWMENTS FOR THE ARTS AND HUMANITIES, THE INSTITUTE OF MUSEUM SERVICES, AND THE HISTORIC PRESERVATION FUND. AS AN EXECUTIVE BOARD MEMBER OF THE CONGRESSIONAL ARTS CAUCUS AND REPRESENTATIVE OF A DISTRICT IN WHICH PERHAPS THE GREATEST NUMBER OF ARTISTS WORK AND RESIDE, I COMMEND THE CHAIRMAN AND SUBCOMMITTEE FOR THEIR DILIGENT WORK AND CONSISTENT SUPPORT FOR OUR NATION'S CULTURAL PROGRAMS.

IT IS UNFORTUNATE THAT WE MUST MEET THIS YEAR UNDER CIRCUMSTANCES NO BETTER THAN THOSE UNDER WHICH WE HAVE BEEN MEETING FOR THE LAST FIVE YEARS. THE PRESIDENT HAS AGAIN PROPOSED A BUDGET FOR THE ARTS AND HUMANITIES THAT IS BOTH INADEQUATE AND UNJUST.

UNDER THE PRESIDENT'S LATEST PLAN, WHICH IS NEARLY IDENTICAL TO THAT WHICH WE REJECTED LAST YEAR, THE BUDGET OF THE NATIONAL ENDOWMENT FOR THE ARTS WOULD BE REDUCED BY 12.5 PERCENT, FROM $165.6 MILLION TO $144.9 MILLION. HUMANITIES FUNDING WOULD SUFFER A 9.3

PERCENT CUT, FROM $139.4 MILLION TO $126.4 MILLION. AND THE IMS WOULD BE CUT BY 98 PERCENT, LEAVING JUST ENOUGH TO CLOSE DOWN SHOP.

SPECIAL ATTENTION MUST BE PAID TO THE PLIGHT OF THE INSTITUTE OF MUSEUM SERVICES. THIS IS THE FOURTH TIME MR. REAGAN HAS PROPOSED THE ELIMINATION OF THIS PROGRAM, WHICH PROVIDES THE ONLY OUTSIDE OPERATING SUPPORT AVAILABLE TO MUSEUMS. TO ANNUALLY SUBJECT THE MUSEUM COMMUNITY TO A LIFE OR DEATH FIGHT FOR SURVIVAL IS BOTH CRUEL AND UNNECESSARY.

THE CONGRESS, WITH YOUR STRONG LEADERSHIP, HAS STEADFASTLY OVERCOME PAST ADMINISTRATION PROPOSALS TO GUT FUNDING FOR THE ARTS AND HUMANITIES. THIS YEAR, UNFORTUNATELY, THE PROSPECTS FOR SIMILAR VICTORIES HAVE WORSENED. SOMETHING NEW HAS HAPPENED IN WASHINGTON IN THE PAST YEAR: ADOPTION OF THE GRAMM-RUDMAN BUDGET BALANCING ACT.

MR. REAGAN CLAIMS THAT PROGRAMS SUCH AS THE ARTS MUST BE SACRIFICED TO EASE THE DEFICIT CRISIS. TRUE, OUR BUDGET IS OUT OF BALANCE, BUT CLEARLY IT IS NOT THE FAULT OF SPENDING FOR THE ARTS OR

ANY OTHER DOMESTIC PROGRAM. IT IS THE RESULT OF AN INEQUITABLE TAX POLICY AND AN UNPRECEDENTED PEACE-TIME MILITARY BUILDUP. WITH PROPOSED OUTLAYS FOR CULTURAL PROGRAMS TOTALING FIVE ONE-HUNDREDTHS OF ONE PERCENT OF THE TOTAL FEDERAL BUDGET, HOW MUCH SAVINGS THROUGH CUTS TO THESE PROGRAMS CAN MR. REAGAN POSSIBLY HOPE TO ACHEIVE?

THE GOVERNMENT'S SUPPORT OF CULTURAL EXCELLENCE HAS BENEFITTED THE GENERAL WELFARE OF THIS NATION FAR BEYOND THE MINISCULE FINANCIAL INVESTMENT. FOR US IN NEW YORK CITY, THE ARTS ARE NOT ONLY A SOURCE OF PRIDE AND CULTURAL ENRICHMENT, THEY ARE BIG BUSINESS. THE ARTS CONTRIBUTE OVER $5.6 BILLION TO THE ECONOMY OF THE REGION, GENERATING OVER 117,000 JOBS, ENRICHING HOTELS, RESTAURANTS, REAL ESTATE, UTILITIES, TRANSPORTATION, MEDICAL AND EDUCATIONAL SERVICES AND THE FINANCE AND INSURANCE BUSINESS.

WHILE THE ARTS ARE AN ECONOMIC BOON TO US, THEY ARE NOT SELF-SUPPORTING. IN SPITE OF THE EFFORTS OF CULTURAL ORGANIZATIONS TO TAKE ON A LARGER PART OF THE FINANCIAL BURDEN, THEIR EFFORTS ARE CONTINUALLY BEING UNDERMINED. THE ADMINISTRATION'S PERSISTENT

EFFORTS TO ELIMINATE POSTAL SUBSIDIES FOR NON-PROFIT ORGANIZATIONS HAVE RESULTED IN A 45 PERCENT INCREASE IN MAILING COSTS SINCE JANUARY 1ST, DENYING MANY ARTS ORGANIZATIONS ONE OF THE MOST CRUCIAL INSTRUMENTS FOR FUNDRAISING. SPIRALING REAL ESTATE COSTS, ESPECIALLY IN NEW YORK CITY, ARE SQUEEZING ARTISTS OUT OF NECESSARY REHEARSAL AND PERFORMANCE SPACE. INSURANCE COSTS HAVE BECOME PROHIBITIVE, CORPORATE MERGERS ARE ELIMINATING CORPORATE ARTS PROGRAMS, AND PROPOSED CHANGES IN THE TAX CODE MAY LIMIT CHARITABLE CONTRIBUTIONS. AND WITH THE PROSPECT OF GRAMM-RUDMAN TAKING HUGE AMOUNTS OF MONEY FROM STATE AND LOCAL GOVERNMENTS, THEIR FUNDING PROGRAMS WILL FOCUS MORE ACUTELY ON THE NEEDS OF THE HUNGRY, THE HOMELESS, AND THE UNEMPLOYED.

IT HAS BEEN THE PRESIDENT'S INTENTION ALL ALONG TO SHIFT THE BURDEN OF THE ARTS TO PRIVATE RATHER THAN PUBLIC FUNDING. BUT THE PRESIDENT MUST REALIZE THAT EVEN IF THE PRIVATE SECTOR COULD ASSUME ALL THE FINANCIAL RESPONSIBILITY FOR THE ARTS, IT WOULD NOT RESOLVE ALL THE PROBLEMS CREATED BY FEDERAL CUTBACKS. PRIVATE DONORS USUALLY AVOID SUPPORTING UNUSUAL OR CONTROVERSIAL EFFORTS.

CORPORATIONS RISK THE LEAST AND GAIN THE MOST BY CONTRIBUTING TO ESTABLISHED CULTURAL INSTITUTIONS AND TO PROJECTS THAT ARE LIKELY TO HAVE WIDESPREAD POPULAR SUPPORT. WE RISK CHOKING OFF SPONTANEITY AND INNOVATION, WHICH ARE THE LIFEBLOOD OF ARTISTIC CREATIVITY, WHEN WE DEPEND TOO HEAVILY ON PRIVATE FUNDING. OUR ARTISTS ON THE VANGUARD OF CREATIVE DEVELOPMENT WOULD BE HARDEST HIT OF ALL.

FEDERAL SUPPORT IS AN ESSENTIAL PART OF OUR NATION'S NETWORK OF CULTURAL SUPPORT WHICH INCLUDES ALL LEVELS OF GOVERNMENT, CORPORATIONS, FOUNDATIONS, AND INDIVIDUALS. ARTS ORGANIZATIONS, LARGE AND SMALL, WILL ATTEST THAT WHEN THE FEDERAL FUNDS COME IN, OTHER FUNDERS SHOW UP. WE CANNOT SUPPORT THE ADMINISTRATION'S ATTEMPT TO DESTROY THIS INTERDEPENDENT SUPPORT SYSTEM.

MR. CHAIRMAN, YOUR TASK THIS YEAR IS ESPECIALLY DIFFICULT. THE PRESSURES UNDER WHICH YOU ARE WORKING ARE TREMENDOUS. BUT I URGE THE SUBCOMMITTEE TO WEIGH THE TRUE VALUE OF THE ARTS AND TREAT THESE PROGRAMS FAIRLY, IF WE ARE GOING TO CONTINUE OUR EFFORTS TO ENCOURAGE AND STRENGTHEN OUR NATION'S ARTISTIC AND CULTURAL LIFE.

THEN WE ABSOLUTELY MUST CONTINUE OUR SUPPORT FOR THESE MODESTLY PRICED FEDERAL PROGRAMS. FUNDING FOR THE ARTS IS ONE OF THE BEST INVESTMENTS WE CAN MAKE FOR THE FUTURE OF THIS NATION.

Mr. MURTHA. I appreciate your coming by. As you know, Sid is, besides yourself, one of the strongest supporters of the arts in the Congress, and I appreciate everything you have done for the arts. It is very helpful, and I appreciate your testimony.

Mr. WEISS. Truly he and the rest of you are knights in shining armor. We thank you.

THURSDAY, APRIL 17, 1986.

FISH & WILDLIFE SERVICE

WITNESS

HON. DANIEL K. AKAKA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF HAWAII

Mr. MURTHA. Mr. Akaka, I understand you came in late. We will take you right now.

Mr. AKAKA. Thank you very much, Mr. Chairman.

Mr. MURTHA. Your statement will appear in its entirety in the record.

Mr. AKAKA. Before I begin on my statement, I would like to give support to the testimony of Mr. Weiss. I am a member of the Caucus and support the arts.

Mr. MURTHA. I appreciate that.

Mr. AKAKA. I would like to say thank you to the chairman and the committee for supporting for the past two years the project I will explain to you and your generous interest in this habitat of endangered forest birds in Hawaii.

The Upper Hakalau Forest is one of the most richly diverse and unique tropical forests in the world. The area contains some of the finest stands of koa and ohia forests remaining in the state and includes six native plant species which are candidates for listing as threatened or endangered species.

In addition to that, we have 20 species of native forest birds which once inhabited the Island of Hawaii, eight are now extinct, and seven others are endangered, and 50 others are on the list as endangered birds, and we look upon the acquisition and continued acquisition of land to save this forest so that we can save the plant life and the bird life and animals in this forest.

With your subcommittee's support, a cooperative effort between The Nature Conservancy and the Fish and Wildlife Service has enabled most of this habitat to be preserved. I am requesting $4 million to complete the Hakalau project and allow the Fish and Wildlife Service to continue vital acquisition efforts for endangered forest bird habitat.

The largest remaining expanse of habitat for Hawaii's endangered forest birds is a band of forest stretching across the windward slopes of the Mauna Kea and Mauna Loa volcanoes. The Hakalau National Wildlife Refuge will protect the northern extension of the critical habitat band. To strengthen the refuge system for forest birds, additional privately-owned forest parcels at the southern end need to be protected.

Since my remarks will be included in total in the record, I just want to urge, Mr. Chairman, the subcommittee to provide $4 million for the continued acquisition of land in this important habitat, not only for Hawaii, but for the future of our country and the world in preserving some of these endangered species.

Thank you very much.

[The statement of Daniel K. Akaka follows:]

[illegible]

Honorable Daniel K. Akaka
Subcommittee on Interior
April 17, 1986

I would like to express my appreciation to the members of the Subcommittee on Interior for permitting me to participate in today's hearing to discuss the Hawaiian Forest Birds project. I am grateful for your past support for this project and your genuine interest in protecting the critical habitat of endangered forest birds in Hawaii.

The Upper Hakalau Forest is one of the most richly diverse and unique tropical forests in the world. The area contains some of the finest stands of koa and ohia forests remaining in the state and includes six native plant species which are candidates for listing as threatened or endangered species.

Of the twenty species of native forest birds which once inhabited the Island of Hawaii, eight are now extinct and seven others are endangered. At least five of the seven federally-listed endangered birds and the endangered Hawaiian hoary bat, Hawaii's only terrestrial mammal, are found in the Upper Hakalau Forest. According to the U.S. Fish and Wildlife Service Recovery Plan, the area is considered to be essential habitat for four of the endangered forest birds of Hawaii.

With your Subcommittee's support over the past two years, a cooperative effort between The Nature Conservancy and the Fish and Wildlife Service has enabled most of this habitat to be preserved. I am requesting $4 million to complete the Hakalau project and allow the Fish and Wildlife Service to continue vital acquisition efforts for endangered forest bird habitat.

The largest remaining expanse of habitat for Hawaii's endangered forest birds is a band of forest stretching across the windward slopes of the Mauna Kea and Mauna Loa volcanoes. The Hakalau National Wildlife Refuge will protect the northern extension of the critical habitat band. To strengthen the refuge system for forest birds, additional privately-owned forest parcels at the southern end need to be protected.

The addition of these lands will enhance recovery efforts for Hawaii's endangered forest bird species by protecting a larger part of the original range of forest species and providing greater security against such natural disturbances as drought, lava flows, natural dieback of old forests, and windstorms. Physical separation of units of the refuge system will also protect against threats like the spread of foreign diseases to native birds or the invasion of foreign weeds and insects. Separate units will also provide greater genetic diversity of forest bird populations--an essential consideration for the long-term genetic health of these species as they recover from their present low numbers. Finally, these units can provide "outposts" which native birds can utilize and repopulate adjacent forested areas. In this way, the proposed refuge design can achieve the long-range goal of restoring the health of the entire mid-elevation band of forest habitat on windward Hawaii. The results should include the recovery and delisting of several endangered animals and plants, and should prevent the future endangerment of additional species.

Many of the identified parcels for protection are owned by cattle ranchers. With the severe depression of the cattle business in Hawaii, a number of these owners are considering either selling their ranches to developers for long-term speculation or logging their forested lands to provide clearings for other more intensive agricultural pursuits. Therefore, it is imperative that these lands are quickly secured for conservation purposes. I urge the Subcommittee to provide $4 million for the acquisition of this important habitat.

Thank you very much.

Mr. MURTHA. Mr. Akaka, I know you have been a strong supporter of this project, and as you know, we have always taken care of it at your request every year.

Mr. AKAKA. I know you will support this project when it comes up.

Mr. MURTHA. We appreciate your support.

THURSDAY, APRIL 17, 1986.

FOREST SERVICE

WITNESS

HON. RICHARD H. LEHMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. MURTHA. The gentleman from California.

Mr. LEHMAN. Thank you. I would like to request my entire statement be placed in the record. I want to thank you and the committee for the cooperation you have given me in the past, particularly in this area of mountains.

I have three requests today before the committee. The first two involve the Mono Basin National Forest scenic area created pursuant to litigation I carried a couple years ago. I would like to ask this subcommittee to appropriate $4 million to allow the Forest Service to start acquisition within the basin. The total acquisition required in the act is about $2.4 million. I would like priority for that acquisition to be determined by Forest Service. There are at least five hardship cases in the basin, as well as land that is high priority because it provides a habitat for migratory waterfowl.

Second, I would like to request $169,250 in preconstruction funds for the Mono Basin National Forest scenic area visitors' center. Recognizing that the scenic area's location is a distance from Yosemite National Park and there is no visitors' service in the area, the Wilderness Act passed in 1984 authorized this visitors' center for the Mono Basin scenic area. There has been a dramatic increase over the last five years in the number of people who come there, and this facility is much needed. I would like to get it started in the next year.

Finally, Mr. Chairman, I would like to request an appropriation of $1.1 million to be matched by the Save-the-Redwoods League to acquire inholdings in Mineral King Valley, Sequoia National Park which contain 422 acres of giant Sequoias. That property represents the largest inholding in the park, and the Save-the-Redwoods League has agreed to come up with half the value to purchase the land.

In 1977, the League donated $1 million to the United States Government for assistance in acquisitions in Redwood Park and over the past 68 years, the League has given the State of California $43 million for state parks acquistiions to protect the Redwoods. So I think this is a good bargain for the American people, and it would be much appreciated by people who care about the Sierras.

Mr. **MURTHA**. Staff was out to Mono Park this year and was impressed with the need. I appreciate your coming forward. We will do everything we can to help.

[The statement of Richard H. Lehman follows:]

STATEMENT OF THE HONORABLE RICHARD H. LEHMAN
18TH DISTRICT OF CALIFORNIA

BEFORE THE HOUSE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS

APRIL 17, 1986

MR. CHAIRMAN AND MEMBERS OF THE DISTINGUISHED SUBCOMMITTEE, I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY. I HAVE THREE NATURAL RESOURCE CONCERNS AFFECTING THE SIERRA NEVADA AREA FOR WHICH I SEEK YOUR CONSIDERATION IN THE FISCAL YEAR 1987 INTERIOR APPROPRIATIONS BILL.

1. PROPERTY ACQUISITION AT THE MONO BASIN NATIONAL FOREST SCENIC AREA-- AS THIS SUBCOMMITTEE KNOWS, THE MONO BASIN NATIONAL FOREST SCENIC AREA WAS CREATED PURSUANT TO THE CALIFORNIA WILDERNESS ACT OF 1984. I REPRESENT THIS UNIQUE AREA IN THE EASTERN SIERRA NEVADA MOUNTAINS OF CALIFORNIA. WE ARE FORTUNATE THAT THE VAST MAJORITY OF PROPERTY WITHIN THE SCENIC AREA IS ALREADY OWNED BY THE U.S. FOREST SERVICE; HOWEVER, APPROXIMATELY 5000 ACRES OF PRIVATE INHOLDINGS EXIST WITH A TOTAL MINIMUM VALUE OF ABOUT $2.4 MILLION. I STRONGLY SUPPORT ACQUISITION OF THIS PROPERTY ON A WILLING BUYER-WILLING SELLER BASIS.

FOR FISCAL YEAR 1987, I WOULD ASK THIS SUBCOMMITTEE TO APPROPRIATE $400,000 TO ALLOW THE U.S. FOREST SERVICE TO BEGIN PROPERTY ACQUISITION WITHIN THE MONO BASIN, WITH PRIORITY OF ACQUISITION DETERMINED BY THE INYO FOREST SERVICE. THERE ARE AT LEAST FIVE HARSHIP CASES IN THE BASIN, AS WELL AS LAND OF HIGH ACQUISITION PRIORITY BECAUSE IT PROVIDES HABITAT FOR MIGRATORY WATERFOWL AND HAS THE BEST SIERRA VISTAS IN THE AREA. ACQUISITION OF MONO BASIN PROPERTY IS SUPPORTED BY THE WILDERNESS SOCIETY AND THE MONO LAKE COMMITTEE. THE CONSERVATION ALTERNATIVE FOR FISCAL YEAR 1987 FOR THE LAND AND WATER CONSERVATION FUND ALSO RECOMMENDS $400,000 FOR PROPERTY PURCHASES AT THE MONO BASIN NATIONAL FOREST SCENIC AREA.

2. PRECONSTRUCTION FOR THE MONO BASIN NATIONAL FOREST SCENIC AREA VISITOR CENTER-- RECOGNIZING THE SCENIC AREA'S LOCATION 15 MILES EAST OF YOSEMITE NATIONAL PARK AND THE LACK OF VISITOR FACILITIES IN THE AREA, THE CALIFORNIA WILDERNESS ACT OF 1984 AUTHORIZED A VISITOR CENTER FOR THE NEWLY CREATED SCENIC AREA. ACCORDING TO THE U.S. FOREST SERVICE, SINCE 1982 THERE HAS BEEN A 219% INCREASE IN VISITORS TO MONO LAKE. I WOULD REQUEST THAT THIS SUBCOMMITTEE GIVE FAVORABLE CONSIDERATION TO MY REQUEST FOR $169,250 IN PRE-CONSTRUCTION FUNDS FOR THE MONO BASIN NATIONAL FOREST SCENIC AREA VISITOR CENTER FOR FISCAL YEAR 1987. (ATTACHED IS A BREAK-OUT OF NEEDED FUNDING WHICH WAS PROVIDED BY THE INYO FOREST SERVICE AT MY REQUEST)

3. MR. CHAIRMAN, MY FINAL COMMENTS TO THIS COMMITTEE PERTAIN TO MY SUPPORT FOR A REQUEST FROM THE SAVE-THE-REDWOODS LEAGUE AND THE WILDERNESS SOCIETY FOR AN APPROPRIATION OF $1.1 MILLION TO PAY FOR HALF THE COST OF ACQUIRING AN INHOLDING IN MINERAL KING VALLEY, SEQUOIA NATIONAL PARK, WHICH CONTAINS 422 ACRES OF GIANT SEQUOIAS. THIS PROPERTY REPRESENTS THE LARGEST INHOLDING IN SEQUOIA NATIONAL PARK AND THE SAVE-THE-REDWOODS LEAGUE WILL DONATE TO THE UNITED STATES GOVERNMENT HALF THE VALUE OF THIS MAGNIFICENT PROPERTY. (ATTACHED IS BACKGROUND MATERIAL IN SUPPORT OF THIS REQUEST)

MR. CHAIRMAN, I WOULD LIKE TO THANK THE SUBCOMMITTEE FOR ITS CONTINUING WLLINGNESS TO MAKE THE HARD DECISIONS NECESSARY TO PROTECT OUR NATIONAL LANDSCAPE. THANK YOU.

RECORDED VISITOR USE
AT MONO BASIN

CY 1982	70,000	Creation of State Tufa Reserve
CY 1983	107,726	Public Hearings On National Designation.
CY 1984	142,293	Creation of Mono Basin National Forest Scenic Area
CY 1985	153,205	219% Increase In Visitors From 1982 To 1935 First Full Year As Scenic Area

MONO BASIN NATIONAL FOREST SCENIC AREA VISITOR CENTER COST ESTIMATE

PRECONSTRUCTION	FY 87		FY 88	
	RECREATION	CFR&T	RECREATION	CFR&T
ENGINEERING PLANNING	6,500	6,500		
ENGINEERING DESIGN	28,000	14,000		
LAND. ARCHITECTURE	10,000	10,000		
ARCHITECTURAL DESIGN	94,250			
TOTAL PRECONSTRUCTION	138,750	30,500		
CONSTRUCTION COSTS				
BUILDINGS & PATIO			1,715,000	
ROADS				115,000
UTILITIES			314,000	
PARKING AREAS				77,000
POWERLINE RELOCATION			165,000	
ROAD OBLITERATION			15,000	
CONST. ENGINEERING			49,000	19,000
LANDSCAPING			200,000	
OUTSIDE LIGHTING			50,000	
SPECIALITY FURNISHINGS			35,000	
ENTRANCE SIGN/MISC.			6,000	
AUDIO/VISUAL EQUIPMENT			70,000	
AUDIO/VISUAL PROGRAM			30,000	
EXHIBIT DESIGN			50,000	
INTERPRETIVE DISPLAYS				
1. INFO/RECEPTION			75,000	
2. CHILDREN'S AREA			75,000	
3. EXHIBIT AREA			750,000	
4. OUTSIDE AREA			50,000	
GE COSTS, FY88			20,000	
TOTAL CONST. COSTS			3,669,000	211,000
TOTAL COSTS BY FY	138,750	30,500	3,669,000	211,000

TOTAL PROJECT COSTS

PRECONSTRUCTION	169,250
CONSTRUCTION	3,880,000
TOTAL	4,049,250

ALL COSTS ARE 1986 COSTS. THEY WILL NEED TO BE INFLATED FOR 1988 COST

Save-the-Redwoods League
114 SANSOME STREET, ROOM 605, SAN FRANCISCO, CALIFORNIA 94104
TELEPHONE (415) 362-2352

April 2, 1986

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GEORGE P. PUTNAM
WILSON RILES
G. JAMES ROUSH
MRS. ROBERT LEE SPERRY
MRS. WILLIAM W. STOUT
CHARLES C. WAGNER
•WILLIAM P. WENTWORTH
J. ROY WITTWER
•*Directors*
••*Honorary Vice President*
OBJECTS
1. *To rescue* from destruction representative areas of our primeval forests.
2. *To co-operate* with the California State Park Commission, the National Park Service, other agencies, in establishing Redwood and other parks and reservations.
rchase Redwood groves by pr-
on.
encourage a better and
nding of the value of
Sequoia and other
natural objects of ex-
to present and future
forestation and conserva
areas.

FACT SHEET

Kaweah Han Forest Reserve Property, an inholding in
Mineral King Valley
Sequoia National Park, California

Land and Water Conservation Fund
Budget Request 1987

Acreage: 422 acres of Giant Sequoias including 260 old-growth trees.

Location: Mineral King Valley, Sequoia National Park, California

Significance: This property represents the largest private inholding at Sequoia National Park. The property contains two large groves of Giant Sequoia trees. These trees are an extension of the magnificent East Fork Grove, located on the East Fork of the Kaweah River, and presently in the Park. The Kaweah Han property has the largest groves of Giant Sequoias remaining in private ownership.

Potential Threats: The owners need cash and plan to sell. If they did not sell to Save-the-Redwoods League, they could sell the property to developers or a logging company.

Status: Save-the-Redwoods League expects to purchase the property for $2,195,000 plus closing costs. The Kaweah Han owners are presently clearing title, dissolving the corporate entity which owns the land, and requesting local county approval for a land division. The owners will retain approximately 60 acres adjacent to other private land at Silver City, which the National Park Service does not wish to purchase at present.

Save-the-Redwoods League Gift to the United States: The Save-the-Redwoods League is willing to make a gift of $1,100,000 in land to the United States. The League requests that the National Park Service request an appropriation of $1,100,000 to reimburse the League for one-half of the purchase price of this acquisition.

History: The Save-the-Redwoods League made a $1,000,000 gift to the United States in 1977 in order to help the U. S. purchase a threatened old-growth Redwood forest property, which is now protected in Redwood National Park. The League has donated $43 million dollars to State of California over a 68 year period to purchase lands for the 31 California Redwood State Parks. The State of California has matched the League dollar for dollar over the past 68 years for Redwood State Park acquisition.

John B. Dewitt
Executive Director

JBD/dp

THURSDAY, APRIL 17, 1986.

FISH AND WILDLIFE SERVICE

WITNESS

HON. RICHARD RAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. MURTHA. The gentleman from Georgia.

Mr. RAY. Mr. Chairman, we are pleased to be with you today.

Mr. MURTHA. Your statement will appear in the record.

Mr. RAY. I will take a moment or two to summarize this. I am here on behalf of the National Fish Hatcheries, but particularly the one in Warm Springs, Georgia, which was established in 1898.

It was a favorite spot for President Roosevelt. He did everything he could to be sure that it was funded and saved during the period that he was in office, and, in fact, saved it on a couple occasions. Its present initiative is to breed and raise Atlantic and Gulf Coast striped bass, which are both top priority programs for the Fish and Wildlife Service.

Mr. Chairman, the entire amount of funding for this project is just $126,000, the cost of about three Stinger missiles. I would be glad to be sure we don't waste three of us, if you put money in the budget for that.

[The statement of Richard Ray follows:]

MEMBER'S DAY STATEMENT
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS
CONGRESSMAN RICHARD RAY
APRIL 17, 1986

MR. CHAIRMAN, AND MEMBERS OF THE SUBCOMMITTEE, I WANT TO THANK YOU FOR GIVING ME THE OPPORTUNITY TODAY TO ADVISE YOU OF MY CONCERNS ABOUT OUR NATIONAL FISH HATCHERY PROGRAMS AND PARTICULARLY, THE WARM SPRINGS NATIONAL FISH HATCHERY LOCATED IN WARM SPRINGS, GEORGIA.

AS YOU KNOW, THE U.S. FISH AND WILDLIFE SERVICE HAVE REGULARLY QUESTIONED THE FUNDING OF FISH HATCHERIES AROUND THE NATION. DURING MY NINE YEARS OF SERVICE AS ADMINISTRATIVE ASSISTANT TO SENATOR SAM NUNN AND THEN DURING MY TWO TERMS AS A MEMBER OF CONGRESS, I KNOW OF SEVERAL INSTANCES WHERE CONGRESSIONAL OFFICES WERE CALLED ON TO FIGHT UNILATERAL CLOSURES OF THESE VITAL COMPONENTS OF OUR FIGHT TO PRESERVE OUR NATION'S FISH POPULATION.

I REALIZE THAT GRAMM-RUDMAN AND OUR FISCAL CONCERNS HAVE CREATED A NEW SITUATION, AND I AM VERY SENSITIVE TO THE NEED TO CUT OUR FEDERAL DEFICIT. HOWEVER, I DO NOT BELIEVE WE SHOULD DELETE PROGRAMS WHICH ARE CONTINUING A PROVEN TRACK RECORD OF SERVICE--AND PARTICULARLY ONE WHICH IS COST-EFFECTIVE.

THE FISH AND WILDLIFE SERVICE EXPRESS THEIR RESERVATIONS OVER THE WARM SPRINGS FACILITY'S LACK OF PARTICPATION IN NATIONAL PRIORITY PROGRAMS. IT IS MY UNDERSTANDING THAT, AT ONE POINT, THIS FISHERY DID TAKE ON SEVERAL AUXILLIARY PROGRAMS. HOWEVER, I AM TOLD THAT ITS PRESENT INITIATIVE IS IN ATLANTIC AND GULF COAST STRIPED BASS WHICH ARE BOTH TOP PRIORITY PROGRAMS WITH THE U.S. FISH AND WILDLIFE SERVICE.

ITS $126,000 BUDGET IS A SMALL ONE--ABOUT THE COST OF THREE STINGER MISSILES USED BY THE MILITARY--AND A CRITICAL ONE FOR THE CONTINUED PRODUCTION OF FISH. THIS HATCHERY, WHICH WAS FIRST ESTABLISHED IN 1898 ~~1089~~, HAS A LONG HISTORY OF HELPING TO FULFILL NATIONAL REQUIREMENTS FOR VARIOUS SPECIES OF FISH.

THE HATCHERY IS ALSO IMPORTANT, IN A LARGER SENSE, TO THE COMMUNITY THAT SURROUNDS IT. WARM SPRINGS IS AN AREA TO WHICH TOURISM IS CRITICAL. THE ROOSEVELT WARM SPRINGS INSTITUTE NEARBY BRINGS ITS PATIENTS TO THE HATCHERY TO VIEW THE PONDS AND KETTLES AS WELL AS THE PRODUCTION. THE COMMUNITY RALLIED IN SUPPORT OF THIS HATCHERY WHEN THE FISH AND WILDLIFE BUDGET DELETIONS WERE KNOWN, AND SENTIMENT IS STRONG THAT THIS IS A BENEFICIAL PROGRAM, NOT JUST FOR THIS COMMUNITY, BUT FOR THE NATION AS A WHOLE.

I ALSO BELIEVE THAT THE CONGRESS IS TAKING STEPS TO ENSURE THAT THE HATCHERIES MAINTAIN QUALITY STANDARDS AND ARE STATUTORILY DIRECTED TO FOLLOW NATIONAL PRIORITIES OR RECEIVE REIMBURSEMENT. UNDER THE LEADERSHIP OF CONGRESSMAN BREAUX AND HIS SUBCOMMITTEE ON FISHERIES, A BILL HAS ALREADY BEEN REPORTED TO THE COMMITTEE ON MERCHANT MARINE AND FISHERIES WHICH WILL CLARIFY CONGRESSIONAL INTENT WITH REGARD TO THE NATIONAL PURPOSE OF FISHERIES. I AM A COSPONSOR OF THIS BILL, AND I BELIEVE THAT IT IS A POSITIVE STEP TOWARD ENSURING THAT THE TAXPAYERS GET WHAT THEY PAID FOR IN OUR NATIONAL FISHERY SYSTEM.

THEREFORE, I BELIEVE THAT CONTINUING TO FUND THE WARM SPRINGS FISH HATCHERY CONTINUES A PROGRAM WHICH HAS A LONG RECORD OF SERVICE TO OUR NATION WITH THE PROMISE THAT THE CONGRESS IS SETTING UP STANDARDS TO ENSURE THAT ITS PROMISE IS GUARANTEED AND REALIZED IN THE FUTURE.

COMMITTEE ON ARMED SERVICES
COMMITTEE ON SMALL BUSINESS

RICHARD RAY
3d DISTRICT GEORGIA

United States Congress
House of Representatives
Washington, DC 20515

February 19, 1986

Hon. John Breaux
Chairman, Subcommittee on Fisheries
H2-544 HOB Annex 2
Washington, D. C. 20515

Dear Mr. Chairman:

I wanted to express my concern about the proposed closure of the Warm Springs National Fish Hatchery and to provide you with information which I have obtained from the Director of this hatchery, Mr. Jack Jones.

It is my understanding from his letter that the Warm Springs Hatchery is not participating in the Farm Pond program which the National Fish & Wildlife Service is seeking to eliminate. Instead, according to Mr. Jones' documentation, the Hatchery's present focus is on high priority programs, such as the Atlantic and Gulf Coast strains of Striped Bass.

I would appreciate anything you and your committee could do to ensure that, if cuts are made, they are made fairly and in light of programs presently in operation. I will stay in touch with you and your staff regarding this matter because this Hatchery is important to our national hatchery system. This program is also important to my district from a historical and contemporary point of view. Warm Springs, Georgia, is a unique town which has great respect for the geological, social, and political importance it plays in our state's and nation's history -- from the Indians to FDR to modern tourism -- and it deserves nothing less than our most careful consideration.

Thank you in advance for your efforts.

Sincerely,

Richard Ray

RICHARD RAY
Member of Congress

Enclosure

cc: Hon. Walter B. Jones
Hon. Lindsay Thomas
Mr. Jack Jones, Director

February 10, 1986

Warm Springs National Fish Hatchery
Route 1, Box 105
Warm Springs, Georgia 31830

Honorable Richard Ray
House of Representatives
514 Cannon House Office Building
Washington, D. C. 20515

Dear Mr. Ray:

I'm sure that you have heard of the U. S. Fish and Wildlife Service's recent decision to close the Warm Springs National Fish Hatchery and aquarium at the end of the current fiscal year. I wanted to let you know the details of that decision so that you would understand how illogical that decision was.

The Warm Springs hatchery is one of 6 hatcheries slated for closure. All of these hatcheries are located in the southeastern part of the United States and are all warm-water hatcheries. These hatcheries were chosen for closure because of their past participation in the Federal Farm Pond Program, a program that the U. S. Fish and Wildlife Service considers low-priority and has been trying to eliminate for many years. However, the Warm Springs hatchery should not have been chosen for closure based on this reason. This is because the Warm Springs hatchery does not now rear any fish for the Federal Farm Pond Program and has no plans to do so in the future. The Warm Springs hatchery is rearing both the Atlantic and Gulf coast strains of Striped bass, which is in actuality one of the top priority programs that the U. S. Fish and Wildlife Service has.

The Warm Springs hatchery is currently rearing Gulf coast strain Striped bass broodstock. This is part of a restoration project to replenish badly depleted populations of these fish in the Gulf river systems. The hatchery now has 3 year classes of these Gulf Coast fish that are being reared to maturity for spawning purposes. The closure of the Warm Springs hatchery would greatly endanger this project as Warm Springs is an ideal broodstock holding facility. This Gulf coast Striped bass restoration project has been designated as one of the top three Important Resource Problems (IRP) in the United States.

cont'd

The Warm Springs hatchery also rears Phase I Striped bass (1¼" - 2") and Phase II Striped bass (6 - 8") for stocking into targeted rivers and reservoirs. I must reiterate that these are also high priority programs.

As you can see, the Warm Springs National Fish Hatchery is currently involved in very high priority programs. The reasoning to close the hatchery because of its involvement with a low-priority program is not a valid one.

The Warm Springs area, as you know, is a rapidly growing area. Tourism is also on the rise. Because of these things, you expressed an interest in making the hatchery more visible to the public. We are certainly off to a good start in that respect as we just recently completed the construction of a new hatchery sign along Hwy 41. We have also recently relandscaped around the aquarium building and are in the process of constructing ramps for the handicapped. Traffic related signs have also been purchased and a new hatchery brochure is currently being published. Other plans have also been made to establish a Visitor Center at the Aquarium building when funds become available.

The construction project, of which you played a big part in getting started, is almost completed. This project, as you recall, was to install a new water supply line and build concrete water control structures and kettles in 14 ponds. This will give us an additional 6.5 surface acres of pondspace for production and will greatly increase our capacity.

I hope that you will support us in our quest to stay open. I feel that the closure of this hatchery would greatly endanger ongoing projects and would not be beneficial to the U. S. Fish and Wildlife Service or to the interests of the public in general. It certainly will not go over well with the people of this area.

I thank you again for your support in the past.

Very truly yours,

Jack B. Jones
Hatchery Manager

JBJ/hr

Mr. Murtha. We appreciate that. We look very carefully—because of you and Mr. Whitten—at these hatcheries, and we appreciate your testifying today. We have always taken care of it in the past. We will see what we can do.

Mr. Ray. It is a very historic area, cost effective, fed by cold water springs. President Roosevelt may have been on the other side of the mountain, which is warm water springs, and it is a historic area.

Mr. Murtha. We appreciate your coming by.

We will put Mr. Studds' statement in the record.

[The statement of Gerry E. Studds follows:]

STATEMENT OF REPRESENTATIVE GERRY E. STUDDS
BEFORE THE SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
APRIL 17, 1986

MR. CHAIRMAN, I APPRECIATE THIS OPPORTUNITY TO TESTIFY AGAIN BEFORE YOUR SUBCOMMITTEE IN SUPPORT OF LANGUAGE THAT WOULD PROHIBIT THE DEPARTMENT OF THE INTERIOR FROM ISSUING LEASES FOR OIL AND GAS EXPLORATION AND DEVELOPMENT IN FOUR HIGHLY SENSITIVE AND VALUABLE AREAS OF THE NORTHWEST ATLANTIC. SPECIFICALLY, I WOULD ASK THAT LANGUAGE IDENTICAL TO THAT APPROVED BY CONGRESS LAST YEAR BE INCLUDED IN THE 1987 APPROPRIATIONS BILL. AS I AM SURE YOU ARE AWARE, THE FOUR AREAS INCLUDE TRACTS LOCATED WITHIN 50 MILES OF THE MASSACHUSETTS COAST, BENEATH SHALLOW WATERS ON GEORGES BANK, BENEATH THE LOBSTER CANYONS, AND WITHIN THE GREAT SOUTH CHANNEL. I HAVE ATTACHED TO MY STATEMENT A SHEET THAT DESCRIBES IN MORE DETAIL THE SPECIAL IMPORTANCE OF THESE AREAS, WHICH COMPRISE LESS THAN 1/4 OF THE ROUGHLY 50 MILLION ACRES IN THE NORTH ATLANTIC PLANNING AREA.

I RECOGNIZE THAT YOU AND OTHER MEMBERS OF THE COMMITTEE WOULD LIKE TO SEE THESE LEASING QUESTIONS RESOLVED WITHOUT THE CONTINUED NEED FOR LEGISLATIVELY IMPOSED MORATORIA. I SHARE THIS DESIRE AND HOPE THAT THE CURRENT NEGOTIATIONS BETWEEN MEMBERS OF CONGRESS AND THE INTERIOR DEPARTMENT OVER LEASING OFF THE COAST OF CALIFORNIA IS SUCCESSFUL. HOWEVER, I HAVE BEEN UNABLE TO INTEREST THE INTERIOR DEPARTMENT IN DISCUSSING, LET ALONE RESOLVING, THE NORTH ATLANTIC LEASING SITUATION.

LAST JULY, I WROTE TO INTERIOR SECRETARY HODEL, URGING THAT WE ACT TOGETHER TO REACH AN AGREEMENT THAT WOULD OBVIATE THE NEED FOR A CONTINUED CONGRESSIONAL MORATORIUM IN THE NORTH ATLANTIC. I WROTE AGAIN IN JANUARY OF THIS YEAR, EXPRESSING MY HOPE THAT WE COULD RESOLVE THE CONTROVERSY PRIOR TO CONSIDERATION OF THE 1987 APPROPRIATIONS BILL. I DID NOT RECEIVE A SUBSTANTIVE RESPONSE TO EITHER INQUIRY AND HAVE INCLUDED THIS CORRESPONDENCE, AS WELL AS A LETTER I WROTE TO INTERIOR SECRETARY HODEL LAST APRIL, FOR YOUR INFORMATION.

IN SEPTEMBER OF LAST YEAR, SECRETARY HODEL APPEARED BEFORE THE OCS SUBCOMMITTEE OF THE MERCHANT MARINE AND FISHERIES COMMITTEE. AT THAT TIME, I ASKED THE SECRETARY TO CONSIDER THE REMOVAL OF THE FOUR AREAS COVERED BY THE MORATORIUM FROM THE FIVE YEAR LEASING PLAN THAT WAS THEN BEING DEVELOPED BY THE DEPARTMENT. I NOTED THAT THE SECRETARY HAD TAKEN THIS STEP WITH A NUMBER OF AREAS OFF THE COAST OF CALIFORNIA. UNFORTUNATELY, THE DRAFT VERSION OF THE FIVE YEAR PLAN THAT WAS RELEASED IN FEBRUARY NEITHER REMOVED THESE AREAS FROM LEASING CONSIDERATION NOR DID IT INCLUDE THEM IN A LIST OF AREAS THAT WARRANTED FURTHER STUDY, TO SEE IF THEY SHOULD BE REMOVED.

THE REPEATED FAILURE OF THE DEPARTMENT TO BE RESPONSIVE ON THIS MATTER IS DISAPPOINTING, IN PART BECAUSE IT REFLECTS A FAILURE TO COMPLY WITH A CLEAR DIRECTIVE FROM YOUR COMMMITTEE. IN THE REPORT ACCOMPANYING THE CONTINUING RESOLUTION FOR FISCAL YEAR 1985, THE APPROPRIATIONS COMMITTEE WROTE THAT "THE

DEPARTMENT IS URGED TO PURSUE A RESOLUTION OF THE LONG-TERM STATUS OF THESE AREAS THROUGH CONTINUING NEGOTIATIONS WITH THE APPROPRIATE CONGRESSIONAL, STATE AND LOCAL OFFICIALS". THE DEPARTMENT HAS CHOSEN TO IGNORE THIS PROVISION WITH RESPECT TO THE NORTH ATLANTIC. IN LIGHT OF THIS FAILURE AND THE IMPORTANCE OF THE AREAS IN QUESTION TO THE ECONOMIC AND ENVIRONMENTAL HEALTH OF NEW ENGLAND, I STRONGLY URGE THAT THE MORATORIUM BE CONTINUED SO THAT THE DEPARTMENT WILL REALIZE THE NECESSITY OF NEGOTIATING A MUTUALLY SATISFACTORY SOLUTION TO THIS ISSUE.

AS IN THE PAST, THIS REQUEST ENJOYS BIPARTISAN SUPPORT IN THE NEW ENGLAND CONGRESSIONAL DELEGATION. WE ALL WANT TO REITERATE OUR SINCERE THANKS FOR YOUR EFFORTS ON BEHALF OF THE WISE MANAGEMENT OF OUR COASTAL RESOURCES AND HOPE THAT YOU WILL BE ABLE TO HELP US AGAIN THIS YEAR.

NORTH ATLANTIC AREAS COVERED IN 1986 BILL

- A fifty-mile buffer zone around the Commonwealth of Massachusetts, including Cape Cod, Martha's Vineyard and Nantucket. This deletion is necessary to protect the Massachusetts coast -- which supports a vital industry in tourism -- against coastal oil spill damage. The buffer zone has been respected by the Department of the Interior both in OCS Lease Sale #42 and in proposed Lease Sale #52.

- Tracts in and at the head of submarine canyons off Georges Bank. These areas provide important habitat for lobster, whose populations could be adversely affected by exposure to oil spills, drill muds, or the siltation that would arise from drilling activity.

- Georges Bank tracts in waters of 60 meters or less in depth. This area serves as an important spawning ground for haddock, grey sole, flounder, cod, and sea herring. Also, the water circulation pattern in these shallow waters is such that an oil spill could be retained in the area for a long period of time, thereby causing serious population declines in one or more species.

- The Great South Channel. This area is one of the prime fishing grounds in the north Atlantic, with yields among the highest (in terms of tonnage per year) in that region. Further, the Boston Harbor shipping traffic lane and the Ambrose-Nantucket

SHIPPING TRAFFIC LANE MERGE IN THIS CHANNEL. THE CHANNEL ALSO APPEARS TO BE THE PASSAGEWAY OF THE NORTHERN RIGHT WHALE -- AN ENDANGERED SPECIES -- INTO THE GULF OF MAINE.

NINETY-NINTH CONGRESS

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CHIEF COUNSEL
EDMUND B. WELCH

MINORITY STAFF DIRECTOR
GEORGE D. PENCE

U.S. House of Representatives
Committee on
Merchant Marine and Fisheries
Room 1334, Longworth House Office Building
Washington, DC 20515

April 9, 1985

Dear Mr. Secretary:

I am writing to seek clarification of certain issues that were raised during your appearance before the House Subcommittee on the Panama Canal and Outer Continental Shelf on April 3.

In your statement during that hearing, you expressed your intention to administer the OCS leasing process in a manner that would make further legislatively-imposed restrictions on leasing "unnecessary." I welcome that intent, but I am not certain how this objective is to be achieved with respect to oil and gas leasing in the northwest Atlantic. I would appreciate it, therefore, if you could provide me with a chronology indicating the steps taken by the Interior Department during the consideration of the last scheduled North Atlantic lease sale, sale 82, along with the anticipated chronology for dealing with the next, sale 96. I would also appreciate it if you could identify for me the specific differences between the plans for considering the new sale, and those used for lease sale 82.

I applaud your desire to develop an OCS oil and gas leasing program that will be able to work in harmony with affected state governments. As you know, this has not been the case in the past with respect to the Commonwealth of Massachusetts. What I sought at the hearing on April 3, and what I seek now, is an assurance that real changes have occurred in the method by which the federal government selects tracts in areas of particular economic and enviromental importance for leasing. Could you, for example, provide me with an assurance now that you will not include in lease sale 96 those tracts that are currently the subject of a Congressional ban on leasing? An assurance on this point would, I believe, do a great deal to relieve concern about oil and gas leasing in Massachusetts, while also rendering the need for continued Congressional limitations on leasing in the region truly unnecessary. If you cannot provide this assurance at this time, I would appreciate it if you could identify for me the point in the sale process at which a final decision concerning the inclusion or exclusion of these tracts will be made.

I want to thank you in advance for your consideration of this request.

Sincerely,

Gerry E. Studds

The Hon. Donald P. Hodel
Secretary of the Interior
Department of the Interior
Washington, D.C. 20240

THE SECRETARY OF THE INTERIOR
WASHINGTON

June 13, 1985

Honorable Gerry Studds
House of Representatives
Washington, D.C. 20515

Dear Mr. Studds:

Thank you for your letter of April 9, 1985, regarding issues raised during my testimony before the House Subcommittee on the Panama Canal and Outer Continental Shelf (OCS). I am pleased to provide the following information about our OCS prelease State consultation efforts.

In making decisions about the size, timing, and location of OCS lease sales, I am committed to accommodating State concerns as much as possible. In areas where environmental sensitivity and promising geology for discovery of oil and gas coincide, hard decisions must be made. These decisions must take into account the excellent environmental safety record of the OCS program, special protective measures that can be designed for specific areas, and a realistic appraisal of the risk to resources of concern. Consensus about the proper course of action may not always be achievable. I believe, however, that the open communication process we have established and that I discussed in my April 3 testimony will do much to eliminate controversies that have plagued the program in the past.

As you requested, I am enclosing a chronology of the prelease consultation steps performed by the Department of the Interior (DOI) for the last scheduled North Atlantic lease sale, Sale 82 (Enclosure 1). The information contained in the chronological summary clearly indicates our extensive consultation with the Commonwealth of Massachusetts. As the prelease process progressed for Sale 82, many deferrals and accommodations were made in response to requests from Massachusetts, other affected New England States, and the U.S. Department of Defense (DOD). I would like to take this opportunity to outline the deferral and mitigating measures adopted in response to State concerns.

At the Area Identification stage, 35.5 million acres were deferred from Sale 82 due to a lack of industry interest and to accommodate State environmental concerns, especially in the Gulf of Maine. After the Fiscal Year (FY) 1984 DOI Appropriations Act imposed a moratorium on 8.6 million acres in the North Atlantic planning area, about 17 million acres were available for leasing. Nearly 1 million acres (142 whole and 9 partial blocks) lying in submarine transit lanes were deferred upon agreement of the Minerals Management Service (MMS) and DOD. An additional 1.8 million acres (316 whole and 11 partial blocks) were deferred at the proposed Notice of Sale stage to address significant fisheries concerns in the area. Subsequent to this deferral of 11 million acres, 221 blocks in the Northeast Peak of Georges Bank and 293 blocks lying at and within the 400-meter isobath were removed from the sale before the final Notice of Sale was issued. These deferrals were also made in recognition of important fisheries concerns raised by Massachusetts and other New England States. Sale 82 was also split into two parts, so that 994 blocks subject to the U.S.-Canadian boundary dispute could be offered after the ruling on the boundary by the International Court of Justice. Therefore, of the approximately 60 million acres included in the Call for Information, only about 6.3 million acres were included in the final Notice of Sale. This represents a reduction in the sale area of roughly 90 percent. Of the approximately 53.7 million acres deferred, only 8 million acres (15 percent) were mandated by Congress, the remainder were at the initiative of DOI or due to the international boundary dispute.

In addition to these deferrals, the final Notice of Sale contained 8 stipulations and 13 Information to Lessees clauses, many of which were either added to the Notice or modified at the request of the Commonwealth of Massachusetts. One of these stipulations provided additional protection for submarine canyons in the North Atlantic beyond that required in the FY 1984 DOI Appropriations Act. In that Act, Congress prohibited leasing within the geographical boundaries of canyons as defined by the National Oceanic and Atmospheric Administration (NOAA) on specific, listed blocks. In working with NOAA to define the geographical boundaries of canyons, MMS found that canyons extended to additional blocks not included in the leasing moratorium. To ensure that all North Atlantic canyons receive the same degree of protection, a stipulation was adopted for all canyon and canyon-area blocks included in the sale providing a 200-meter no surface occupancy zone around North Atlantic canyons and requiring monitoring of the effects of drilling discharges within 4 statute miles of the canyon boundaries as delineated by NOAA. These actions, together with previously mentioned deferrals, clearly show a concerted effort on the part of the DOI to accommodate the concerns of Massachusetts.

Enclosure 2 lists the proposed milestones for the next sale planned for the North Atlantic planning area. These milestones are taken from the draft proposed 5-Year OCS Oil and Gas Leasing Program issued March 21, 1985. The size, timing, and location of sales included in the next 5-year program are subject to change based on comments received on the program and further consultation planned before a final 5-year program is put in place. Changes between the draft and final 5-year program, including the next North Atlantic sale, could range from delay or cancellation of sales to possible changes in the size of individual planning areas. These determinations can only be made as we progress through the review process for the 5-year program.

Based on the factors outlined in section 18 of the OCS Lands Act, if I decide to keep a North Atlantic sale on the 5-year schedule, I will strive to resolve conflicts as early in the presale process as possible. As you will note in Enclosure 2, the presale milestones are similar to those used for Sale 82. However, unlike Sale 82, I have instituted a policy of eliminating areas of conflict early in the process and focusing on promising acreage. In line with this policy of early resolution of conflicts and in contrast to Sale 82, the Call for Information and Nominations will ask industry to indicate their areas of greatest interest, as opposed to the more general nominations received for Sale 82. This will allow us to focus on the acreage most likely to lead to the exploration and development of oil and gas reserves, while eliminating sensitive areas not promising for hydrocarbon development.

In addition to resolving issues early in the prelease process for Sale 96, we will continue the policy of negotiation and consultation with affected New England States, such as Massachusetts. As the enclosed Sale 82 consultation chronology (Enclosure 1) indicates, the MMS has met with many concerned individuals and groups from the Commonwealth of Massachusetts to try to resolve issues of concern. This policy will most assuredly continue for the next North Atlantic sale.

At this early juncture, it is impossible for me to say at which point in the presale process a final decision will be made concerning the inclusion or exclusion of the blocks currently the subject of a congressional ban on leasing. As previously indicated, this determination can only be made as the draft proposed 5-Year Oil and Gas Leasing Program is reviewed and revised and as the Sale 96, North Atlantic, presale consultation with Massachusetts and other New England States proceeds. I will strive to accommodate concerns raised by Massachusetts and other States as much as possible.

I appreciate your interest in the OCS program.

Sincerely,

Donald Paul Hodel
DONALD PAUL HODEL

2 Enclosures

GERRY E. STUDDS
10th District, Massachusetts

Washington Office:
1501 Longworth House Office Building
Washington, DC 20515
202-225-3111

Committees:
FOREIGN AFFAIRS
MERCHANT MARINE AND
FISHERIES

Chairman
Subcommittee on
Coast Guard and Navigation

Congress of the United States
House of Representatives
Washington, DC 20515

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163 Rockland Street
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617-826-3866

CAPE AND ISLANDS
146 Main Street
Hyannis, MA 02601
617-771-0666

July 17, 1985

Dear Mr. Secretary:

I would like to congratulate you for the recent agreement the Department of the Interior has reached with the State of California regarding oil and gas leasing off the coast of that state. It is my understanding that the discussions that led up to that agreement were undertaken for the purpose of eliminating the need for Congressionally-imposed prohibitions on the leasing of tracts in certain areas off the California coast. The purpose of this letter is to re-state my belief that a similar arrangement could readily be developed to obviate the need for a Congressionally-imposed moratorium on leasing in certain areas off the east coast, as well.

Last April, I wrote to you asking for an assurance that the tracts now subject to the leasing ban off the New England coast would be excluded from future leasing. You replied by stating that it would be "impossible" to provide such an assurance. I urge you to reconsider that position in light of the Department's ability to reach an agreement on similar issues with those in Congress who have initiated and supported the ban on leasing in the California case.

As one who served on the Select Committee that wrote the OCS Lands Act Amendments of 1978, I would like to be able to rely fully on its provisions to provide the kind of balanced oil and gas leasing program envisioned by Congress at the time that measure became law. Your statements and actions since becoming Secretary of the Interior have given me confidence that this can, in fact, become the case. I do not believe there is any practical reason why an agreement cannot be reached on the Massachusetts tracts that would obviate the need for including moratorium language when the Interior Appropriations bill becomes the subject of final Congressional action in September.

I have, for your convenience, enclosed a copy of our earlier correspondence. In closing, I want to thank you both for your cooperation in the past, and for your willingness to give serious, renewed consideration to my request.

Sincerely,

Gerry E. Studds

The Honorable Donald P. Hodel
Secretary of the Interior
Department of the Interior
Washington, D.C. 20240

Enclosures

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

In Reply Refer To:
LMS-0555/ES-13298
LMS-Mail Stop 611

AUG 5 1985

Honorable Gerry Studds
House of Representatives
Washington, D.C. 20515

Dear Mr. Studds:

Thank you for your letter of July 17, 1985, regarding the preliminary agreement reached with members of the California delegation and Secretary Hodel on offshore leasing.

My understanding is that you have spoken with the Secretary regarding your interest in proceeding with similar negotiations for the North Atlantic. As you are aware, the preliminary agreement with California is only an agreement in principle. As such, members of the delegation and the Department made a commitment to work diligently in the weeks ahead to reach a consensus on the final details of an agreement. This task will require extensive work from everyone, as each represents a variety of constituencies with different interests.

We appreciate your understanding of the amount of time and effort which must be invested if this preliminary agreement is to become a reality.

Sincerely,

Deputy Assistant Secretary -
Land and Minerals Management

GERRY E. STUDDS
10TH DISTRICT, MASSACHUSETTS

WASHINGTON OFFICE:
1501 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
202-225-3111

COMMITTEES:
FOREIGN AFFAIRS
MERCHANT MARINE AND
FISHERIES

CHAIRMAN
SUBCOMMITTEE ON
COAST GUARD AND NAVIGATION

Congress of the United States
House of Representatives
Washington, DC 20515

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193 [illegible] STREET
[illegible], MA 02339
617-826-3866

CAPE AND ISLANDS
146 MAIN STREET
HYANNIS, MA 02601
617-771-0666

January 3, 1986

Dear Mr. Secretary:

As you recall, we have discussed on several occasions the importance of reaching an accord that would obviate the need for continued Congressional moratoria on OCS activity in the northwest Atlantic. The purpose of this letter is to explore the possibility that an agreement can be reached on this point prior to the consideration of appropriations legislation for the 1987 fiscal year.

I realize that you are involved in discussions with Members of Congress from California concerning your Department's plans for leasing off the coast of that state. However, I believe that the issues surrounding the North Atlantic moratorium are quite different from the California situation and can be handled in a more expeditious manner.

The first difference is that, unlike California, there is little industry interest in leasing off New England's coast. More importantly, the Atlantic moratorium has always been more selective than that off California, applying to only four discrete areas of particular economic and environmental importance.

For these reasons, I believe it would be entirely consistent with your duties under the law for you to exclude the four areas in queston from the five year leasing plan that is currently being drafted. Such an action would be analagous to your decision to remove certain important areas in California, such as those offshore Big Sur and Point Reyes, from the plan. If you were to agree to this suggestion, I can assure you that I would not pursue continued Congressional action to remove these areas by statute.

Removal of these areas from consideration by administrative action would then permit future leasing in the northwest Atlantic to proceed subject, of course, to the safeguards contained in the Outer Continental Shelf Lands Act and related statutes.

I hope you will let me know if you believe that this matter can be resolved in time to obviate the need for Congressional action in 1986. I look forward to hearing from you, and I want also to extend to you my very best wishes for a happy New Year.

With kind regards.

Sincerely,

Gerry E. Studds

Honorable Donald P. Hodel
Secretary
Department of the Interior
C Street between 18th and 19th Streets, N.W.
Washington, D.C. 20240

THURSDAY, APRIL 17, 1986.

FOREST SERVICE

WITNESS

HON. CHARLES O. WHITLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH CAROLINA

Mr. MURTHA. The distinguished gentleman from North Carolina.

Mr. WHITLEY. I thank the distinguished chairman from the great State of Pennsylvania.

I am here in my capacity as chairman of the Subcommittee on Forests, Family Farms, and Energy. I have been asked to submit the statement of the Honorable Sid Morrison.

Mr. MURTHA. Without objection.

[The statement of Sid Morrison follows:]

STATEMENT OF THE HONORABLE SID MORRISON
BEFORE THE SUBCOMMITTEE ON INTERIOR
HOUSE COMMITTEE ON APPROPRIATIONS

APRIL 17, 1986

Mr. Chairman -

I appreciate the opportunity to address the Forest Service Budget for Fiscal Year 1987.

If passed in the form as sent up by the President, the FY87 Forest Service Budget will have far reaching and long lasting affects upon the American people, especially those who live in areas dependent upon the National Forests for income. Representing a timber producing area, with three National Forests, I must object to several provisions of the President's proposed FY 87 Forest Service budget.

For nearly 80 years counties containing National Forests have shared in the gross receipts from the timber sales of those forests, payments designed to offset the loss of local tax revenue. By law, those funds have been targeted for the benefit of the public schools and public roads in those counties. Now the Administration is proposing to change this time-honored policy. That change would base the payments to counties on net receipts rather than on gross receipts. According to figures supplied by the U.S. Forest Service, it would reduce the payments to counties from $310 million down to $85 million, a 73 percent reduction. Should this change be implemented, my own State of Washington could find its forest receipts payments cut from $21.4 million, which was the FY 85 payment, to as little as $1 million for FY 87.

Other states would be equally hard hit. For example in FY 85 Oregon received $94.6 million. Under the FY 87 budget proposal that figure could drop to $30 million. Montana received approximately $6 million in payments to counties in FY 85. The payments would drop to a few hundred thousand dollars in FY 87. The affect will be devastating to local schools. Several of my counties receiving timber receipts have over 85 percent federal timberland. Needless to say, it will be impossible for them to even exist.

It is my understanding that no agreement has been reached within the Administration at this time on how to define "net receipts." That definition will be vital if this change is implemented. How much should be taken out for fire protection, pest control, administration, road building, etc.?

Likewise there is a continuing discussion on what level to distribute the receipts. Should they be distributed on a national, state, forest or county level? I would point out that the higher the distribution level, the greater the amount cut. Currently the gross receipts are distributed on the forest level, a method which has been acceptable in the past to those parties concerned.

I would also point out, Mr. Chairman, that there is great concern about the reduction of about 1 billion boardfeet in timber sales. This concern centers around the possibility of increased future unemployment in areas already hard hit economically. Some areas of the Pacific-Northwest still have between 20 to 40 percent unemployment.

Should this reduction be approved, there is also the chance that there will be further increases in Canadian lumber imports in order to meet our domestic needs. The Forest Service is still projecting the need to harvest 11 billion boardfeet in order to keep up with housing starts. Stronger economies in other parts of the country and continued low interest rates support these projections. There is no good reason to sacrifice future federal income and benefits from timber sales by trimming the budget now.

Moving into the recreation area, I must make a point that frustrates many of my constituents. The U.S.F.S. has a much greater recreational challenge that the National Park Service in sheer volume of area. Many of the facilities in our forests date back to CCC days. In other words, our forest recreational infrastructure is crumbling, and we are drastically behind in financing even the inadequate forest recreation plans that exist, let alone the significant increases that are pending through the forest planning process.

My meetings with outdoor recreation groups convince me that we have a cadre of interested citizens that are eager to help expand and maintain our forest trail system and facilities. But this can't be done without adequate financing for the U.S. Forest Service in the recreation category. I am more than willing to help you and the subcommittee in expanding this funding category.

Finally, Mr. Chairman, we would do well to look closely at the reforestation dollars proposed in the Budget. I question whether or not the funds budgeted will meet the needs to reforest the 10 to 11 billion board feet harvested. Discussions which I have had with the Forest Service indicate that they will only be able to reforest approximately 8 billion boardfeet with the funds that the Administration has asked for. We all understand that it is easier to go in and reforest after the harvest when people are working in the area than to put it off and eventually return to the harvested area to treat it for pests and the like and then replant. It is also less costly and better for the environment and our future.

These are several of my observations concerning the FY 87 Forest Service Budget. I appreciate the opportunity which you have made available to us to comment upon this budget today. I look forward to working with you and the other members of the Subcommittee.

Thank you.

Mr. Whitley. As chairman of the Subcommittee on Forests, Family Farms, and Energy of the Committee on Agriculture, I have carefully reviewed the proposed Forest Service budget. In the short-term, it appears to respond to current fiscal concerns, but due to the nature of forest management, cutbacks in research, management, and protection programs has to be weighed in the light of long-term consequences.

The most specific matter I would like to emphasize is I share the concern of many of your subcommittee members for the need to obtain the 1985 Resources Planning Act Program, the so-called PRA program. It is now 16 months overdue in its delivery to the Congress, and Assistant Secretary Myers some time ago promised this subcommittee—and I think the gentleman from Oregon, Mr. AuCoin, was in the chair at this time—this would be forthcoming in July. I hope you will lean on them to the extent you can to get that. We understand it is being held up in OMB, but certainly as a budgeting tool, it will be very valuable for us to have that. Without that, I think both we and the administration are somewhat in the dark.

I also would like to call the attention of the subcommittee to the fact that the administration's fiscal year 1987 budget request for the Forest Service anticipates passage of a good bit of legislation, most of which is not even yet introduced. The only item that is introduced really has not moved along very fast. That includes recreation user fees on the national forests, which we anticipate will generate an additional $50 million in funds to implement the Forest Service-BLM land interchange, affecting about 25 million acres of public lands in the West, and then provision to change the basis for shared revenue payments to the states and counties from gross receipts to a net receipts basis. That, too, is a matter the members of your subcommittee are very much concerned about.

And each one of those initiatives would require new legislative authority which we feel will not be forthcoming. We hope that will not be reflected by this subcommittee in making its appropriation for the year.

In connection with the specific levels of program funding, certainly we all agree there is need for general restraints in all agencies, but the Forest Service has incurred a decreasing funding of nearly 14 percent since 1981, and we have to look at the long-term implications.

We are very concerned about air pollution research. I know the gentleman in the chair, like me, has been to Germany and seen the trees over there in the Black Forest, the terrible damage that is occurring. That is being more and more reflected in the gentleman's area, as well as my own. We certainly don't want to shortchange air pollution research.

Another matter I am sure also the gentleman from Pennsylvania is interested in, the Forest Service has initiated a comprehensive research program and the Eastern Hardwood Cooperative is in the gentleman's home State of Pennsylvania, and the Western Confer Cooperative is in Corvallis, Oregon. I think Mr. AuCoin would be very interested in that. That is where this research is being conducted. I am sure you would agree with me we need to go forward in each of those needs. We have requested an additional $2 million this year, and we hope we will get it.

Sixty-one percent of the national forestlands are privately owned. I think every year I have been here, the administration has wanted to drop all of the appropriations that relate to state and private forestry. The rationale is always "We will drop it, and the states will pick it up." I think the gentleman knows the situation with most of the states is at least as bad as it is with the Federal Government, and anything dropped will not be picked up but will just die completely.

In light of the reported declines in southern pine productivity and previous Forest Service studies reporting inadequate reforestation of harvested southern pinelands, this is critical to us. I hope the committee will maintain a balance of programs for funding by the Forest Service to meet the growing demand for timber and nontimber resources. Two areas that need special attention: deferred maintenance of Forest Service recreation facilities. I think when you start deferring maintenance, almost always it is false economy. When you have recreational facilities that are deteriorating and need maintenance and you defer that maintenance, obviously you are going to spend that much more to catch up.

The President's request of $4.9 million for recreation construction is just a token sum, clearly inadequate in light of the need for new construction, but just rehabilitation of existing facilities.

[The statement of Charles O. Whitley follows:]

12.05

STATEMENT OF THE HONORABLE CHARLES O. WHITLEY
BEFORE THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES

APRIL 17, 1986

Mr. Chairman and Members of the Subcommittee, thank you for this opportunity to appear before you to offer my views on the proposed FY 1987 Forest Service budget.

As Chairman of the Subcommittee on Forests, Family Farms, and Energy of the Committee on Agriculture, I have carefully reviewed the proposed Forest Service budget. In the short term, this budget appears to respond to current fiscal concerns. However, due to the nature of forest management, the prudence of immediate cutbacks in forest research, management, and protection programs can only be weighed by the long-term consequences of these actions. It is in this context that the proposed Forest Service budget must be viewed.

I share the concern of many of your Subcommittee Members for the need to obtain the 1985 Resources Planning Act Program from the Administration. The RPA Program is intended to serve as a long-term planning and budgeting guide for the Congress in addressing the nation's forest management needs. The 1985 RPA Program is now 16 months overdue in its delivery to the Congress. Assistant Secretary Myers has now promised that the Program would be made available in July. I hope that he is able to prevail on the Office of Management and Budget to keep this promise.

The proposed FY 1987 budget would result in several new and significant changes in national forest management policy. First, the budget assumes that new legislative authority would be provided to increase recreation user fees on national forests, generating an additional $50 million in revenues in FY 1987. As a result, the Service has cut their request for recreation funds by the same amount.

Second, the proposed budget includes funds to implement the Forest Service/BLM interchange, affecting 25 million acres of public lands in the West.

Finally, the budget includes provision to change the basis for shared revenue payments to the States and counties from a gross receipts to net receipts basis.

Each of these initiatives would require new legislative authority. Only legislation to implement the interchange proposal has been introduced. I am concerned that changes in Forest Service policy of this magnitude have been proposed in the budget without prior Congressional review. The agency should not assume passage of such legislation and make changes in their budget request based on this assumption. Instead, the Congress should be presented with these proposals separate from their budget request, so that these new initiatives can be fairly and adequately assessed.

With regard to specific levels of program funding, I agree with the need for fiscal constraint in all Federal agencies. For this reason, I support maintenance of Forest Service programs at the FY 1986 level. However, I do so recognizing that the Forest Service has incurred a real decrease in funding of nearly 14 percent since 1981. Clearly, we must consider the long-term implications of this funding reduction with regard to its effects on Forest Service research and management programs.

I offer the following specific concerns for your consideration in developing the FY 1987 Forest Service budget.

AIR POLLUTION RESEARCH

According to a recent USDA Forest Service report, southern pine growth in the Piedmont and mountain areas of the Southeast has declined 30 to 50 percent during the last 20 years. Declines in the productivity of German forests were also observed some years prior to the visible symptoms of air pollution stress now affecting 50% of Germany's forests. Although the role of air pollutants in declining forest growth is not currently clear, acid deposition and other air pollutants cannot be ruled out. My Subcommittee will hold hearings in May to assess the relationship between declines in forest productivity, acid rain, and other air pollutants.

With your assistance, the Forest Service has initiated a comprehensive research program to determine the ties between air pollution and forest health. However, more resources are needed to allow each of the agency's air pollution research cooperatives to become fully operative. Specifically, the eastern hardwood research cooperative and the western conifer cooperative in Corvallis, Oregon, will each require an additional $2 million to initiate needed research and to establish air pollution monitoring sites. In addition, the Forest Service has decided to postpone implementation of their National Vegetation Survey by reducing program funds by $2 million in FY 1987. It is important that this effort not be delayed.

STATE AND PRIVATE FORESTRY

Sixty-one percent of the nation's forestlands are privately owned. In regions like the Southeast, these lands are becoming increasingly important sources of timber, places to recreate, and providers of water, forage, and wildlife habitat.

Proposed cutbacks in the Forest Service's State and Private Forestry Program ignore the importance of these forestlands. The forest pest management and the fire protection programs should be restored to previous levels. In addition, the agency's forest management and utilization program, slated for elimination in FY 1987, should be restored. In light of reported declines in southern pine productivity and previous Forest Service studies reporting inadequate reforestation of harvested southern pinelands, investments in private landowner assistance through this program are essential.

NATIONAL FOREST SYSTEM

In developing the FY 1987 budget for the National Forest System, I encourage you to maintain a balance of program funding that is adequate to meet growing demand for both timber and non-timber resources. I suggest that two areas will need special consideration. First, deferred maintenance of Forest Service recreation facilities at the end of FY 1985 was $296 million. The President's request for $4.9 million for recreation construction is clearly inadequate in light of the overwhelming backlog that exists. The rehabilitation needs of these facilities must be addressed before the health and safety of the public are affected.

Second, the Forest Service now has a backlog of nearly 1.5 million acres in need of timber stand improvement. The proposed decrease in TSI funding is inappropriate given existing needs. When appropriate, the Forest Service should be encouraged to practice intensive forestry where potential returns are great, rather than extensive forestry where access and related costs are often substantial.

Thank you for this opportunity to appear before you today.

Mr. MURTHA. The time of the gentleman has expired.

Let me tell you this, Charlie. I appreciate all the work you have done for the Forest Service over the years, and you know we have struggled to keep the funding up there with the lines of your recommendations. We will do everything we can to help.

Mr. WHITLEY. Thank you, Mr. Chairman.

THURSDAY, APRIL 17, 1986.

ENERGY PROGRAMS

WITNESS

HON. DON FUQUA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. YATES. The gentleman from Florida.

Mr. FUQUA. Thank you. I have a more detailed statement which I would like to ask be part of the record.

Mr. MURTHA. It will appear in its entirety in the record.

Mr. FUQUA. I thank you for the opportunity to appear before you today in behalf of the recommendations for DOE R&D programs for fiscal year 1987 in fossil energy and energy conservation. They were adopted by our subcommittee on March 19, and also I would like to address the national earthquake hazards reduction program and the national fisheries laboratory in Gainesville, Florida.

It has been before you before——

Mr. MURTHA. A few years. If it hadn't been for the gentleman, it wouldn't be before us, but we appreciate your diligence in keeping that alive, keeping it funded.

Mr. FUQUA. Thank you, sir.

We need $300,000 this year for operating. It is constructed; it is doing unique work no other laboratory in the country is doing.

Mr. MURTHA. We will be guided by your recommendation.

Mr. FUQUA. I appreciate that. I will stop while I am ahead.

In energy, the department submitted a budget request to Congress at funding levels that are less than half what the fiscal 1986 appropriations were. Both fossil energy and energy conservation have and, for the foreseeable future, will continue to exert some very important roles on our Nation's overall energy application. We believe that a healthy R&D program must be sustained.

Our recommendations for fiscal year 1987 are approximately 10 percent below the current year funding level. We are recommending $291.8 million for fossil energy. There is a project called Walt's Mill, a very excellent project, included in that, fully funded; and also an energy conservation appropriation for $100.6 million. We took this in the spirit of budget reduction with no increases in revenue.

The 1987 authorization for the earthquake program, conducted by the Geological Survey, which is a principal part of the earthquake hazard reduction program, has been enacted into law and the current administration proposal is to reduce that program from $36 million to $33.6 million. Recent earthquakes in California, as well as Ohio and New York, remind us this is a national problem and not just one limited to the West Coast. Moreover, last fall a disaster in Mexico City was a tragic display of the potential damage that could occur in any part of our country.

In closing, Mr. Chairman, this will probably be my last appearance before this subcommittee, and I want to thank you and members of the subcommittee and the staff for very excellent cooperation over the years, and I hope that it will continue in the future years.

[The statement of Don Fuqua follows:]

12:12

STATEMENT OF THE
HONORABLE DON FUQUA, CHAIRMAN
COMMITTEE ON SCIENCE AND TECHNOLOGY
BEFORE THE
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES
APRIL 17, 1986

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I AM PLEASED TO APPEAR BEFORE YOU TODAY TO PRESENT RECOMMENDATIONS FOR THE DEPARTMENT OF ENERGY (DOE) R&D PROGRAMS FOR FISCAL YEAR 1987 IN FOSSIL ENERGY AND ENERGY CONSERVATION. THESE RECOMMENDATIONS WERE ADOPTED BY THE SUBCOMMITTEE ON ENERGY DEVELOPMENT AND APPLICATIONS ON MARCH 19, 1986. I WILL ALSO BRIEFLY ADDRESS THE DEPARTMENT OF INTERIOR'S NATIONAL EARTHQUAKE HAZARDS REDUCTION PROGRAM AND THE NATIONAL FISHERIES LABORATORY IN GAINESVILLE, FLORIDA.

THE DEPARTMENT SUBMITTED A FISCAL YEAR 1987 BUDGET REQUEST TO CONGRESS FOR THE FOSSIL ENERGY AND ENERGY CONSERVATION R&D PROGRAMS AT FUNDING LEVELS THAT ARE LESS THAN HALF THE FISCAL YEAR 1986 APPROPRIATIONS. BOTH FOSSIL ENERGY AND ENERGY CONSERVATION R&D HAVE AND, FOR THE FORESEEABLE FUTURE, WILL CONTINUE TO EXERT VERY IMPORTANT ROLES IN OUR NATION'S OVERALL ENERGY MIX. CONSEQUENTLY, WE BELIEVE THAT A HEALTHY R&D EFFORT MUST BE SUSTAINED. OUR SUBCOMMITTEE RECOMMENDATIONS FOR THE FISCAL YEAR 1987 ARE APPROXIMATELY 10 PERCENT BELOW THE CURRENT YEAR LEVEL. OVERALL, WE RECOMMEND A FOSSIL ENERGY APPROPRIATION OF $291.8 MILLION AND AN ENERGY CONSERVATION APPROPRIATION OF $100.6 MILLION.

THE SUBCOMMITTEE TOOK THIS ACTION IN THE SPIRIT OF BUDGET REDUCTION WITH NO INCREASE IN REVENUE. IT IS NOT CLEAR THAT ALL AUTHORIZING COMMITTEES ARE SIMILARLY COMMITTED. EVEN WITHIN OUR OWN COMMITTEE SOME SUBCOMMITTEES HAVE NOT EXERCISED SIMILAR RESTRAINT, AND AS YET WE ARE NOT MARKING-UP THEIR RECOMMENDATIONS EITHER.

THE FY 87 AUTHORIZATION FOR THE EARTHQUAKE PROGRAM CONDUCTED AT THE U.S. GEOLOGICAL SURVEY, WHICH IS A PRINCIPAL PART OF THE NATIONAL EARTHQUAKE HAZARDS REDUCTION PROGRAM, HAS ALREADY BEEN ENACTED INTO LAW. I NOTE WITH CONCERN THE ADMINISTRATION'S PROPOSAL TO REDUCE THE SURVEY'S ONGOING PROGRAM FROM $36.03 MILLION TO $33.6 MILLION. RECENT EARTHQUAKES IN CALIFORNIA, AS WELL AS IN OHIO AND NEW YORK, REMIND US THAT THIS IS A NATIONAL PROBLEM. MOREOVER, LAST FALL'S DISASTER IN MEXICO CITY WAS A TRAGIC DISPLAY OF THE POTENTIAL DAMAGE THAT COULD OCCUR IN ANY PART OF OUR COUNTRY.

THE LAST TOPIC IS THE NATIONAL FISHERIES LABORATORY IN GAINESVILLE, FLORIDA. I VERY MUCH APPRECIATE THE SUPPORT OF THE SUBCOMMITTEE FOR THIS LABORATORY. AS YOU KNOW, THE LABORATORY IS DESIGNED TO DO IMPORTANT RESEARCH ON EXOTIC SPECIES AND THIS RESEARCH IS NOT DUPLICATED BY ANY OTHER LABORATORY IN THE UNITED STATES. CONSTRUCTION OF THE LABORATORY IS NOW COMPLETED, AND I AM VERY CONCERNED BECAUSE THE FISH AND WILDLIFE SERVICE IS UNDERSTAFFING THE FACILITY AND WILL NOT BE ABLE TO FULLY UTILIZE ITS POTENTIAL. I URGE THE SUBCOMMITTEE TO INCLUDE AN ADDITIONAL $300,000 EARMARKED FOR STAFFING PURPOSES ONLY.

IN CLOSING TO WHAT IS MY LAST APPEARANCE AS A MEMBER BEFORE THIS SUBCOMITTEE, I WOULD LIKE TO EXPRESS MY APPRECIATION FOR THE SPIRIT OF COOPERATION THAT HAS EXISTED BETWEEN MY COMMITTEE AND THE APPROPRIATIONS COMMITTEE DURING MY TENURE IN CONGRESS. I BELIEVE THAT THIS RELATIONSHIP IS IMPORTANT TO THE ADVANCEMENT OF AMERICAN SCIENCE AND TECHNOLOGY, AND I HOPE THAT IT WILL CONTINUE IN FUTURE CONGRESSES. THANK YOU FOR THIS OPPORTUNITY TO TESTIFY.

# # #

12:10

STATEMENT OF THE
HONORABLE DON FUQUA (D-FL)
before the
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES

April 17, 1986

Mr. Chairman and Members of the Subcommittee, I am pleased to appear before you today to present recommendations for the Department of Energy's fiscal year 1987 programs for Fossil Energy and Energy Conservation adopted by the Subcommittee on Energy Development and Applications on March 19, 1986. I will also address the Department of Interior's National Earthquake Hazards Reduction Program and the National Fisheries Laboratory in Gainesville, Florida.

DEPARTMENT OF ENERGY

The Subcommittee's recommendations for the Fossil Energy and Energy Conservation programs total $392,326,000, which is $260,394,000 above the fiscal year 1987 budget request, but is $37,748,000 less than the fiscal year 1986 appropriation. In light of the stringent constraints on spending in fiscal year 1987, we believe these amounts are consistent with providing a viable research and development program while remaining fiscally responsible.

Fossil Energy

The Subcommittee's fiscal year 1987 recommendations authorize a total of $291,771,000 for Fossil Energy Research and Development, which is $209,004,000 above the Department's request, and $20,183,000 or 6.5 percent below the fiscal year 1986 appropriation of $311,954,000, and include $283,321,000 in operating expenses, $4,450,000 in capital equipment, and $4,000,000 in construction.

Coal

Control Technology and Coal Preparation: $27,700,000

The Subcommittee's recommendations for Control Technology and Coal Preparation add $9,553,000 to the Department's request for a total authorization of $27,700,000 to provide: (1) $11,700,000 for Coal Preparation; (2) $13,300,000 for Flue Gas Cleanup; (3) $2,340,000 for Gas Stream Cleanup; and (4) $360,000 for Waste Management.

Within the total provided for Coal Preparation, $750,000 is for testing various concepts, such as chemical and electrochemical cleaning processes to reduce the sulfur content of coal; $1,500,000 to continue high-sulfur coal research activities at the Southern Illinois University Coal Technology Laboratory for a period of twelve months, subsequent to the activities funded through February 28, 1987;

$1,050,000 for ancillary operations related to the cleaning of coal (comminution, fine coal dewatering, transportation and storage); and $2,000,000 for testing of additional advanced physical coal cleaning technologies at the Electric Power Research Institute Clean Coal Test Facility.

Within the total provided for Flue Gas Cleanup $1,500,000 is for advanced NO_x control technology development; $1,500,000 for advanced separation technology; $2,000,000 to continue testing and evaluation of acid rain precursor control technology processes; and $800,000 for testing of sorbents for boiler injection applications.

Advanced Research and Technology Development: $32,200,000

The Subcommittee's recommendations for Advanced Research and Technology Development add $4,976,000 to the Department's request for a total authorization of $32,200,000 to provide: (1) $11,400,000 for Direct Utilization, including $2,000,000 for the internally recirculating material gasification of coal; (2) $8,660,000 for Materials and Components; (3) $6,518,000 for Technology Crosscut; and (4) $5,622,000 for University Coal Research.

Coal Liquefaction: $26,000,000

The Subcommittee's recommendations for Coal Liquefaction add $16,853,000 to the Department's request for a total authorization of $26,000,000, including $2,000,000 for the scale-up of the most promising benchscale concepts in the coprocessing of coal and petroleum, and $2,000,000 for thermal liquefaction (pyrolysis). This increase will also provide: (1) $5,120,000 for Advanced Research; (2) $6,550,000 for Indirect Liquefaction, including $4,100,000 to continue the La Porte, Texas, liquid methanol facility; (3) $13,300,000 for Direct Liquefaction, including $5,300,000 to continue the Wilsonville, Alabama, liquefaction facility with private sector participation equal to or greater than $2,700,000; and (4) $1,030,000 for Support Studies/Engineering Evaluations.

Combustion Systems: $13,200,000

The Subcommittee's recommendations for Combustion Systems add $4,031,000 to the Department's request for a total authorization of $13,200,000 to provide: (1) $1,590,000 for Atmospheric Fluidized Bed Combustion, (2) $3,690,000 for Pressurized Fluidized Bed Combustion; (3) $3,880,000 for Advanced Combustion Technology, including $2,000,000 for the continued development of combustion techniques and devices for heavy industrial and utility applications; and (4) $4,040,000 for Alternative Fuels, including the completion of detailed combustion characterization and assessments on industrial, commercial, and residential boiler/furnace systems, with emphasis on coal-liquid mixtures produced with highly beneficiated (including microbiologically- or chemically-cleaned ultra-fine coals).

Fuel Cells: $25,700,000

The Subcommittee's recommendations for Fuel Cells add $20,700,000 for a total authorization of $25,700,000 to provide: (1) $13,400,000 for Phosphoric Acid

Systems including support of the 7.5-megawatt research program to complete testing on 25-kilowatt and 100-kilowatt stacks and to initiate construction of a full-scale 375-kilowatt module, completion of the existing activity related to development of a 25-kilowatt, organic liquid-cooled fuel cell; (2) $7,700,000 for Molten Carbonate Systems, which includes the award of contracts for internal and external free-forming fuel cells, the continuation of existing contractors until the competitive contracts are awarded, and continued development of a contaminant resistent fuel cell concept; and (3) $4,600,000 for Advanced Concepts to continue the development of a solid oxide fuel cell module including research on cell fabrication techniques.

Heat Engines and Heat Recovery: $14,900,000

The Subcommittee's recommendations for Heat Engines and Heat Recovery add $6,958,000 to the Department's request for a total authorization of $14,900,000. Within this total, $11,300,000 is provided to pursue the development of major systems components consistent with the multiple awards made in fiscal year 1986 and necessary supporting research work for a coal-fired gas turbine system. This effort will be directed toward an integrated system validation in the 1990-1992 time period. Also within the total, $3,200,000 is provided to modify existing contracts and pursue the development of coal-fueled diesel engines aiming towards integrated system validation testing in the 1992-1994 time period.

Underground Coal Gasification: $2,000,000

The Subcommittee's recommendations for Underground Coal Gasification add $2,000,000 to provide for a total authorization of $2,000,000. Funds are provided to complete the joint Gas Research Institute/Department of Energy Controlled Retraction Injection Point test of a parallel-row burn utilizing subbituminous coal and to provide technology base and environmental support for the underground coal gasification process.

Magnetohydrodynamics: $23,500,000

The Subcommittee's recommendations for Magnetohydrodynamics add $23,500,000 to the Department's request for a total authorization of $23,500,000. Funding is provided as the Federal participation in the June 1984 multiyear, cost-shared magnetohydrodynamics program targeted on proof-of-concept testing, and at the cost-sharing rate established in the fiscal year 1986 appropriation legislation. Private sector participants are encouraged to define the extent to which they could augment the program, both technically and financially, by obtaining ownership and operating the Component Development and Integration Facility and the Coal Fired Flow Facility plants for the program and for analogous domestic and foreign processes.

Surface Coal Gasification: $26,100,000

The Subcommittee's recommendations for Surface Coal Gasification add $20,502,000 to the Department's request for a total authorization of $26,100,000 including $3,000,000 to test pollutant recycle and hot particulate removal at 500 pounds per square inch pressure in an existing process development unit. These increases will also provide: (1) $4,220,000 for Advanced Research, including $1,000,000 for the biocleaning and determination of burn profiles for fine coal, and $2,000,000 to utilize experimental data on ash chemistry and fluidization behavior to modify and verify existing ash agglomerating gasifier fluid bed gasification models; (2) $5,150,000 for Advanced Process Development including $2,000,000 for mild gasification techniques producing a variety of fuel forms, such as condensables, and sufficient quantities of liquid for actual engine testing in internal combustion engines and turbines; (3) $15,430,000 for System Engineering Concepts including $9,000,000 to continue program activities at the Waltz Mill gasifier, and $1,306,000 for environmental and engineering analysis activities; (4) $1,300,000 for Environmental and Engineering Analysis; and (5) no funding for the Great Plains Coal Gasification Project. Also, within the total of $15,430,000 provided for Systems Engineering Analysis, additional activities will include the operation of the Morgantown Energy Technology Center fixed-bed gasifier to study coal-fines injection and hot sorbent testing for sulfur removal, operation of the Schenectady fixed-bed gasifier to study the integrated operation, and control of a hot gas de-sulfurization system in a combined cycle power generation simulation.

Petroleum

Advanced Process Technology: $6,000,000

The Subcommittee's recommendations for Advanced Process Technology add $4,189,000 to the Department's request for a total authorization of $6,000,000 to provide: (1) $5,500,000 for Advanced Exploratory Research; and (2) $500,000 for Arctic and Offshore Research.

Enhanced Oil Recovery: $22,000,000

The Subcommittee's recommendations for Enhanced Oil Recovery add $17,516,000 to the Department's request for a total authorization of $22,000,000 to provide for (1) $4,000,000 for Heavy Oil, including studies in fluid-flow steam additive mobility control and sweep efficiency, joint research with Venezuela and Mexico, studies relating to in-situ recovery processes, and studies in microbial-enhanced oil recovery; (2) $16,000,000 for Light Oil, including investigations of high- temperature stable polymer systems, studies of geologic and rock fluid behavior, continuation in basic and novel extraction concepts, continuation of studies utilizing CO_2 and other gaseous flooding concepts with emphasis on mobility control, and continuation of studies in microbial-enhanced oil recovery; and (3) $2,000,000 for Tar Sands, including continuation of tar sands research on basic parametric studies of thermal in-situ recovery processes, the cooperative program with Canada, and studies relating to fundamental process chemistry and environmental studies.

Oil Shale: $12,000,000

The Subcommittee's recommendations for Oil Shale add $8,405,000 for a total authorization of $12,000,000 to provide $10,000,000 for Oil Shale Technology Base, including $1,000,000 for continuation of generic oil shale extraction studies at the Idaho National Engineering Laboratory, and $2,000,000 for Environmental Mitigation. Within the $10,000,000 Oil Shale Technology Base program, $6,000,000 shall be directed toward Eastern Oil Shale research, including $1,500,000 for continuing pressurized hydroretorting research; $1,500,000 for continuing oil shale beneficiation research; $2,000,000 for novel concepts research; and $1,000,000 for support research activities.

Gas

Unconventional Gas Recovery: $10,000,000

The Subcommittee's recommendations for Unconventional Gas Recovery add $4,748,000 to the Department's request for a total authorization of $10,000,000 to provide: (1) $1,000,000 for Eastern Gas Shales including the provision for the stimulation of a directionally-drilled borehole and the continuation of special geosciences investigations in Eastern shales; (2) $7,000,000 for Western Tight Gas Sands to continue the Multi-well Experiment program, to continue geological engineering studies of the Uinta and Greater Green River Basins, to conduct well tests in other parts of the Piceance Basin, and for generic evaluations; and (3) $2,000,000 for Environmental and Advanced Research including the continuation of research on the subduction theory which addresses detection and differentiation means and cooperation with the National Science Foundation in the selective coring of active subduction zones, continuation of a broad-based program in methane hydrates that addresses resource identification, geosciences relating to hydrates, and cooperation with industry in acquisition of well data and model evaluation.

Policy and Management

The Subcommittee's recommendations for Policy and Management add $10,250,000 to the Department's request for a total authorization of $50,471,000 to provide: (1) $42,021,000 for operating expenses; (2) $4,450,000 for capital equipment; and (3) $4,000,000 for construction.

Cooperative Venture R&D Pools

The Subcommittee recommends no funding for Cooperative Venture R&D Pools due to lack of definition in the Department's request. The Subcommittee supports the Cooperative R&D venture concept realizing the need to limit the Federal role consistent with budgetary constraints. This concept would also provide an effective tool for technology transfer. Due to its lack of definition in the current budget book submission, the Subcommittee directs the Depatment of Energy to provide full definition of the concept prior to its fiscal year 1988 budget submittal and request for authorization.

Use of Prior Year Balances and Other Adjustments

The Subcommittee recommendations add $67,323,000 to provide for no use of prior year balances and other adjustments.

Energy Conservation

The Energy Conservation activities solely under the Subcommittee's jurisdiction include Building Systems, Community Systems, and Technology and Consumer Products in the Buildings and Community Systems Program; Waste Energy Reduction, Industrial Process Efficiency, and Industrial Cogeneration in the Industrial Energy Conservation Program; and the Energy Related Inventions Program and Energy Conversion and Utilization Technologies (ECUT) in Multi-Sector Conservation Program. There are also five joint jurisdiction program activities: (1) Analysis and Technology Transfer in Buildings and Community Systems; (2) Implementation and Deployment in Industrial Energy Conservation; (3) the National Appropriate Technology Assistance Service (NATAS) in Multi-Sector Conservation; (4) the Energy Extension Service (EES) in State and Local, and (5) Policy and Management.

The Subcommittee's recommendations for fiscal year 1986 authorize a total of $100,555,000 for Energy Conservation, which is $51,390,000 above the Department's request of $49,165,000 and 14.9 percent below the fiscal year 1986 appropriation of $118,120,000, and include $98,455,000 in operating expenses and $2,100,000 in capital equipment.

Buildings and Community Systems: $34,575,000

The Subcommittee's recommendations for Buildings and Community Systems add $22,675,000 to the Department's request for a total authorization of $34,575,000 to provide: (1) $12,300,000 for Building Systems, including $3,000,000 for indoor air quality, with equal industry cost share; (2) $2,500,000 for Community Systems; (3) $12,600,000 for Technology and Consumer Products, including $8,000,000 for gas-fired heat pumps, $2,200,000 for advanced refrigeration, $1,800,000 for lighting and lighting impacts R&D, and $600,000 for combustion R&D; (4) $2,175,000 for Analysis and Technology Transfer, including $1,500,000 for the least-cost utility planning initiative; (5) $3,000,000 for Program Direction; and (6) $2,000,000 for capital equipment.

Industrial Energy Conservation: $34,630,000

The Subcommittee's recommendations for Industrial Energy Conservation add $19,007,000 to the Department's request for a total authorization of $34,630,000, including $10,000,000 for a steel technology research program, to provide: (1) $11,700,000 for Waste Energy Reduction; (2) $13,800,000 for Industrial Process Efficiency; (3) $5,000,000 for Industrial Cogeneration, which includes, but is not limited to, externally-fired Brayton system program continuation; (4) $2,330,000 for Implementation and Deployment; and (5) $1,800,000 for Program Direction.

Multi-Sector Conservation: $23,650,000

The Subcommittee's recommendations for Multi-Sector Conservation add $3,800,000 to the Department's request for a total authorization of $23,650,000 to provide: (1) $1,400,000 for the National Appropriate Technology Assistance Program; (2) $4,250,000 for the Energy Related Inventions Program; (3) $17,400,000 for Energy

Conversion and Utilization Technologies (ECUT); (4) $500,000 for ECUT Program Direction; and (5) $100,000 for capital equipment.

State and Local Assistance Programs: $6,200,000

The Subcommittee's recommendation for State and Local Assistance Programs adds $6,200,000 to the Department's request to provide for a total authorization of $6,200,000 for the Energy Extension Service.

Policy and Management: $1,500,000

The Subcommittee's recommendation for Policy and Management subtracts $292,000 to the Department's request for a total authorization of $1,500,000.

DEPARTMENT OF INTERIOR

National Earthquake Hazardous Reduction Program

Public Law 99-105, the Earthquake Hazards Reduction Act, authorizes $69,433,000 for FY 1986 and $72,557,000 for FY 1987 to maintain a comprehensive National Earthquake Hazards Reduction Program that funds research at the Federal Emergency Management Agency, National Science Foundation, U.S. Geological Survey and National Bureau of Standards and aids state and local governments in preparing for and responding to earthquakes. The USGS has responsibility for major efforts of the Federal Government in earthquake-related studies in seismology, geology, and geophysics, as well as important efforts in soils engineering.

In this legislation, which was enacted September 30, 1985, Congress authorized $37,179,000 for the USGS component of the Earthquake Program in FY 1987. I note with concern the Administration's proposal to reduce the Survey's ongoing program from $36,038,000 to $33,603,000. Specifically, the proposal would mean that 4 of the 14 regional earthquake monitoring networks across the country would be discontinued, limiting data collection needed for studies of seismic sources which would aid the understanding of where and why earthquakes occur, and also hamper efforts at earthquake prediction. Although the regions where networks are to be discontinued are not the "high-risk" ones like California, recent earthquakes in Ohio and New York remind us that this is a national problem. Moreover, last Fall's disaster in Mexico City was a tragic display of the potential damage that could occur in any part of our country. The cuts would also force termination of 10 theoretical and laboratory projects in earthquake prediction, and cause a cutback of cooperative earthquake prediction efforts with the People's Republic of China and the USSR. Reduced cooperation with the Chinese may be a particular loss in that they have had better success than we have at predicting earthquakes.

National Fisheries Laboratory

This Subcommittee has been very instrumental in the development of the National Fisheries Laboratory in Gainesville, Florida. This laboratory is designed to do important research with exotic species and this research is not duplicated by any other laboratory in the United States. Construction of the laboratory is completed, and I am very concerned because the Fish and Wildlife Service is understaffing the facility and will not be able to fully utilize its potential. I urge the Subcommittee to include an additional $300,000 earmarked for staffing purposes only.

In closing to what is my last appearance as a Member before this Subcomittee, I would like to express my appreciation for the spirit of cooperation that has existed between my Committee and the Appropriations Committee during my tenure in Congress. I believe that this relationship is important to the advancement of American science and technology, and I hope that it will continue in future Congresses. Thank you for this opportunity to testify.

Mr. **Murtha**. Mr. Chairman, the country is better because of your service, and there is no question in my mind if it hadn't been for your work, Pennsylvania, Kentucky, West Virginia, Alabama, all those states that are so closely related to the fossil energy picture, wouldn't be as well off as we are.

We appreciate your dedication, and you can be assured as we go through this budget we will work closely with you in making sure the projects you are interested in are funded.

Mr. **Fuqua**. Thank you, Mr. Chairman.

Thursday, April 17, 1986.

ENERGY PROGRAMS

WITNESSES

HON. CLAUDINE SCHNEIDER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF RHODE ISLAND

HON. DOUG WALGREN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. **Murtha**. The gentlewoman from Rhode Island.

Mrs. **Schneider**. I appreciate the opportunity to appear before you.

Mr. **Murtha**. Your entire testimony will appear in the record.

Mrs. **Schneider**. I am appearing on matters important to us, which I know you are very familiar with.

Mr. **Murtha**. You do an outstanding job. We appreciate your work.

Mrs. **Schneider**. As you know, we are a group of 200 members who are particularly interested in the effect of the budget and legislative policy issues on the economic well-being of the Northeast-Midwest region, and it is on their behalf I am speaking today. However, I want to underline most all of my comments emphasize a sensitivity toward an appropriate national energy policy.

I think that there is very little question that we as members are very disturbed by the Department of Energy proposal to eliminate two-thirds of the Federal energy efficiency R&D programs and, secondly, to completely eliminate the state and energy conservation programs. I think that the proposals come fast upon the expiration of the conservation of tax credit and that means out of the roughly $40 billion to $50 billion we spend each year in Federal tax and budgetary subsidies, energy efficiency will receive only $70 million.

I think the Federal Government is distorting the marketplace and making it very difficult for us to have any kind of comprehensive energy program for the future. As you probably know, energy efficiency right now provides one-fifth of all U.S. energy services, and it has saved the American economy $150 million, so at a time when we are interested in our balance of trade deficits, we recognize that is a pretty substantial portion of our loss that is occurring.

I think that there is very little question the efficiency measures are a key reason for the collapse of OPEC's power and also of the world oil crisis. If we hadn't had these energy efficiency improvements, then what? I think it is pretty clear the United States would be importing right now four times as much oil as it does now, oil prices would still be very high, OPEC would still be in control, inflation rates would be high, the trade deficit would be horrendous and the United States and its allies would be extremely vulnerable to any Mideast oil disruptions.

Mr. MURTHA. We are going to see that again if we aren't careful.

Mrs. SCHNEIDER. Exactly. That is why I feel it is shortsighted to be making these reductions in the energy efficiency programs and also on top of that our elimination of conservation tax credits.

Mr. MURTHA. Let me ask Doug Walgren to come up also. I didn't realize he was on this same panel. I just looked at my notes.

Mrs. SCHNEIDER. The only other thing I might add is that often times we are queried on our Science and Technology Committee, and the point is made haven't we run out of our efficiency improvements that have been made? And the answer is absolutely not. The United States right now continues to consume as much as 75 percent more energy per unit of GNP than our foreign competitors, such as France and Japan, and according to a number of different analyses, the cost effectiveness of energy efficiency investments can save an additional $150 billion per year off of our annual energy budget.

So the oil price hikes of the 1970s spawned a whole lot of fuel saving efficiency improvements, and now in the 1980s, when we have solid state electronics, various advancements spawn a pool of electric saving resources, delivers it cheaper than building new powerplants. I think the savings that can be realized from industrial facilities, there is a whole ripple effect we have to keep in mind and take a comprehensive view of what the ramifications will be if we make these cuts.

Mr. MURTHA. I appreciate what you are saying, and I am trying to limit everybody to five minutes. Let me say this. We, on this committee, particularly appreciate what you and the Science and Technology Committee have done. We understand the difficulty and priority. No one has had more impact on this country. The lists you have read, we couldn't agree with you more. So you can be assured we are going to do everything we can to help you reach the goals you have laid out.

Let me turn to Mr. Walgren and ask him to testify for five minutes.

Mr. WALGREN. Thank you for the opportunity to appear with Congresswoman Schneider on behalf of the Northeast-Midwest group.

Mrs. SCHNEIDER. If you have no further questions of me, I have another appointment, so I will dash out.

Mr. MURTHA. Thank you very much.

Mr. WALGREN. We have joint testimony to submit to you, and then each of us, I think, has a little bit more we would like to submit for the record.

For my part, I simply wanted to underscore the importance of the matters that you already are fully pursuing. The steel initiative research and development, the coal research funding and the fossil energy area that Congressman Fuqua testified to, and also to raise with you the Energy Information Administration role in preparing certain reports on energy consumption that the states really rely on to keep track of what is going on in these areas.

As you know, the Science and Technology Committee is well on its way to providing $10 million in the second year of the Keyworth initiative. We know that we must do this kind of basic research in this area. If we are to have a viable steel industry in the future, it clearly has to have a full measure of Government research on a basic level. The national laboratories have a great deal they can contribute, other industries that have succeeded so well, like aerospace, have had full measure of Government support. So we know that is central, and we would like to be sure the committee focuses on it.

The coal area is also so important. We have suffered such reductions going down from $800 million to now a projected $80 million in research in this administration's budget. We hope you will be able to support in full the fossil portion of the Science and Technology Committee's bill as it comes out, and that would keep things somewhere in the $200 million and some range. If we don't do that, we obviously have lost the whole thing, and this essentially has been zeroed out. Those are the two areas I want to emphasize, as someone also interested, along with Congresswoman Schneider, in the Northeast-Midwest coalition.

We have joint testimony on behalf of the coalition for you, and we appreciate all the consideration that you have given the concerns of this area.

Mr. MURTHA. Thank you very much for coming before the committee. I appreciate all the work you have done in fossil fuel, the work you have done trying to stem steel imports and the research that has been done.

Thank you very much.

[The joint statement of Claudine Schneider and Doug Walgren follows:]

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U.S. House of Representatives

12:15

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TESTIMONY OF

THE HONORABLE CLAUDINE SCHNEIDER

AND

THE HONORABLE DOUG WALGREN

BEFORE THE

HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE

REGARDING THE

FISCAL 1987 INTERIOR APPROPRIATIONS BILL

APRIL 17, 1986

530 House Annex No. 2, Washington, D.C. 20515 • (202) 226-3920

Mr. Chairman, we want to thank you for the opportunity to testify before your subcommittee on matters of concern to us as members of the Executive and Steering Committees of the Northeast-Midwest Congressional Coalition. As you know, the Coalition is a bipartisan organization of nearly 200 members of Congress, who are particularly interested in the effect of budget and legislative policy issues upon the economic well-being of the Northeast-Midwest region.

The issues which we want to address in particular today include our strong support of energy efficiency R&D, the state and local energy conservation programs, the fossil energy R&D program, the Keyworth R&D Steel Initiative, and the Energy Information Administration.

Energy Efficiency R&D Programs

As Coalition members, we are deeply disturbed by the Department of Energy's proposal to eliminate two-thirds of federal energy efficiency R&D programs, and completely eliminate the state and local energy conservation programs.

These proposals come fast upon the expiration of the conservation tax credits. This means that out of the roughly \$40 to \$50 billion per year in federal tax and budget energy subsidies, energy efficiency would receive a mere \$70 million under the DOE budget proposal. Clearly the federal government is distorting the marketplace. Such actions are not consistent with DOE's National Energy Policy Plan which calls for efficiency as a cornerstone of federal energy policy.

As you may know, energy efficiency now provides one-fifth of U.S. energy services (based upon improvements since the 1973 OPEC oil embargo). These investments in raising the efficiency of millions of buildings, vehicles, appliances, commercial equipment, and manufacturing processes have saved the American economy \$150 billion per year in energy savings by requiring 25 percent less energy to produce a dollar of Gross National Product. That is an average of

$350 million each year that remains in congressional districts like yours and mine, helping business expansion and job creation.

Efficiency measures also have displaced the equivalent of 13 million barrels of oil per day -- three times today's foreign oil imports. They are one of the key reasons for the collapse of OPEC's power and world oil prices. If we hadn't had these energy efficiency improvements, then what? Well, the U.S. would be importing four times as much oil as it does; oil prices would still be very high; OPEC would still be in control; inflation rates would be high; the trade deficit would be even worse; and the U.S. and its allies would be extremely vulnerable to any Mid-East oil disruption.

In light of efficiency's incredible success in improving economic productivity and enhancing national security, it is hard to fathom DOE's zealous cutting of these programs in a proposed departmental budget that would increase by $600 million in fiscal 87 to $12.8 billion!

Clearly it is not because this nation has run out of efficiency investment opportunities. The U.S. continues to consume 75 percent more energy per unit of GNP than foreign competitors such as Japan and France. According to both government and independent analyses, cost-effective efficiency investments could trim an additional $150 billion per year from the nation's nearly half trillion dollar annual energy bill.

Energy efficiency remains vital in spite of the collapse in world oil prices, both for national security reasons, and because electricity prices continue to rise. As the attached chart shows, fuel oil expenses represent only 2.7 percent of the total price of electricity. Non-fuel expenses, mainly capital, constitute fully 75 percent of the price of electricity. Even if the average cost of oil to utilities were to drop 50 percent, the average retail price per kilowatt-hour would decline by only about 1/10th of a cent. The savings are insignificant in comparison to rate shock caused by electricity prices from newly completed nuclear power plants coming in at two to four times today's national average price of 7 cents/kwh.

It's important to recognize that the oil price hikes in the 1970s primarily spawned fuel-saving efficiency improvements. Now, in the 1980s, we are witnessing solid state electronic advancements spawning an enormous pool of electricity-saving opportunities that "deliver" electricity services at half to one tenth the cost of building powerplants.

Take U.S. buildings, for example, which consume $100 billion per year in electricity -- representing three-fourths of electricity industry revenues. Efficiency investments with relatively fast paybacks can save $50 billion of that sum. Comparable percentage savings are available in U.S. manufacturing and industrial facilities, where electricity represents 40 percent of their total energy consumption. Federal energy R&D programs are responsible for securing a significant portion of these savings. A recent report by the American Council for an Energy Efficient Economy and the Energy Conservation Coalition found that taxpayers have been handsomely rewarded for their investment in this research. In seven case studies, $16 million of federal energy efficiency R&D in buildings could save U.S. consumers $68 billion over the next 25 years. This represents a potential payback of $4400 in savings for each dollar of federal R&D.

Industrial efficiency R&D also has provided impressive returns on taxpayers' investments: DOE, in its Multi-year Conservation Plan, estimates energy savings from 18 industrial projects at approximately $16 billion per year by the year 2010. DOE-sponsored R&D on advanced ceramics for turbines and other vehicle engines could generate well over one quad of annual fuel savings by the year 2015, representing benefits of over $7 billion per year. All this for a projected total federal investment of $239 million.

Unfortunately, the report points out, the U.S. is backing away from federal support for energy efficiency R&D while our foreign trade competitors are maintaining or increasing their R&D efforts. Even prior to these proposed cuts, the U.S. ranked fifth in funding levels behind the U.K., France, Japan and Germany. Mr. Chairman, we would like to request that the ACEEE report be submitted in the record along with the written testimony.

In addition, the Coalition continues to have a strong interest in the maintenance of the District Heating/Cooling component of DOE's Community Systems program. This is another important means of attaining improved efficiency and it has consistently evoked great interest from cities in our region. Each year many more cities have sought grants for feasibility studies than have been awarded.

This failure to maintain adequate federal funding for efficiency R&D is a very serious problem. As the President's Commission on Industrial Competitiveness noted in its 1985 report, Global Competition: The New Reality, the U.S. has lost not only large market shares in the auto, steel, rubber and primary metal industries, but also has lost shares in seven of the 10 high technology markets; and energy efficiency products are among these fast-growing high technology markets.

One electricity-consuming product after another is being totally renovated with high technology design improvements and solid state electronic devices. Japan, the leader, is about to extend its assault on U.S. manufacturers of motors, lighting systems, heat pumps, air conditioners, photovoltaics, and industrial processes, just as Japan captured a major segment of the U.S. auto market with high efficiency models.

To strengthen U.S. domestic markets and improve our global competitive position, we should be pursuing national energy policies that help to cut in half the 12 percent of GNP that pays for energy.

Federal energy efficiency R&D also contributes to underlying policy goals of a lower budget deficit. A burgeoning national debt means higher interest rates, which threaten to stifle economic growth by competing with the private sector for available capital.

But the federal deficit is not the only drain on investment capital. Although the U.S. energy sector accounts for about 12 percent of GNP, it represented 40 percent of total investment in plant and equipment expenditures, for all sectors, in 1982. Increased efficiency, several times cheaper than traditional supply, can make a significant contribution to the objectives of increased capital availability and lower inflation rates that are underlying goals of the Gramm-Rudman-Hollings legislation. Hundreds of billions of dollars of capital would be freed up for spurring non-energy business expansion and job creation, and for repairing America's deteriorating infrastructure of bridges, roads, sewers and water lines.

The second point to be made about the oil price collapse is related to national security. There is no assurance the oil price collapse will sustain itself. The U.S. Energy Information Administration projects substantial increases in oil imports in the 1990s as a result of declining U.S. oil reserves.

It is noteworthy that between 1979 and 1984, the U.S. oil industry invested $250 billion in oil exploration alone, without achieving a net increase in U.S. reserves at the end of the five years. Imagine what benefits we could have reaped if that $250 billion had been invested in energy efficiency measures.

Because OPEC controls two-thirds of the world's cheap oil reserves, in the absence of further fuel-saving efficiency improvements we will be back to a very vulnerable situation in the 1990s with high levels of foreign imports. Obviously the cheapest insurance against such a crisis is to encourage cost-effective efficiency investments. This includes overcoming a variety of technical and informational barriers to greater efficiency use through the continuation of a modestly funded federal energy efficiency R&D program and state and local assistance programs.

State and Local Assistance Programs

We are strongly opposed to the proposal to eliminate the four state and local energy conservation assistance programs -- low-income weatherization assistance, institutional conservation, energy extension service, and state energy conservation -- because of the availability of oil overcharge funds. Oil overcharge funds should supplement, not supplant, existing program funds, for several reasons.

First, oil overcharge funds are not federal funds and must not be treated as such. They are the result of settlements in cases brought alleging that oil consumers were overcharged illegally. In the settlements approved to date, courts have been guided by the principle of providing restitution to aggrieved consumers -- restitution that has taken the form of state-administered energy programs. Using the funds in lieu of federal appropriations for these programs would have the same impact as diverting the oil overcharge settlements into the federal Treasury and away from overcharged consumers. Such a move would violate the intent of court-ordered restitution.

Second, the drop in oil prices has not been a windfall for low-income households -- it has been a reprieve. These households typically pay four to six times as much of their income for energy than does the average American household. Low-income households rarely have adequate funds to invest in conservation measures with even short paybacks. Without federal weatherization assistance these families will be unable to lessen their energy use and many will be forced to remain as recipients of federal low-income home energy assistance. Furthermore, the current oil glut is likely to be only temporary. There is some speculation that foreign imports could climb to 50 percent by the end of this decade if prices remain so low. Obviously, this would drive prices right back up.

Third, states in the Northeast-Midwest region receive a large share of the weatherization and low-income energy assistance grants under distribution formulas that take into consideration factors such as energy prices and weather. The replacement of federal appropriations for these programs with oil overcharge monies, which are allocated without regard to these factors, would result in the loss to the region of millions of dollars. For example, if the $178 million distributed in fiscal 1986 for the weatherization assistance programs were allocated according to the oil overcharge formula rather than the weatherization formula, states in the region would lose a total of $34 million.

Finally, the court order that distributed the Exxon oil overcharge settlement disallows states from using any of the funds for administrative costs. Therefore, it is critical that the states receive adequate funds to permit their state energy offices to administer the oil overcharge funds.

According to a recent report by the General Accounting Office, DOE had weatherized only 10 percent of the eligible low-income homes through 1984. Recent changes in the program may increase eligible dwellings by as many as eight million. GAO estimates that it may take up to 100 years to complete weatherization at the present pace. Clearly the oil-overcharge funds should be used to make up for the considerably slow pace that has occurred to date.

Therefore Mr. Chairman, we urge you and the committee to strongly support a freeze of DOE's conseervation programs at the 1986 levels. These programs already have suffered a 50 percent reduction over the past five years, contributing more than their fair share to a balanced budget. To reduce them further would be to undermine their effectiveness and jeopardize the energy savings that can continue to strengthen national security and enhance economic productivity. The state and local conservation programs have proven their cost-effectiveness and are an important linchpin in efforts to assure the continuation of energy and coordination of energy conservation efforts in all states.

We especially would appreciate your support for the Least-Cost Energy Planning Initiative within the conservation budget. This is a three-year, $4 million technology transfer program authorized by the House Science and Technology Committee last year. The Science and Technology Subcommittee on Energy, Development and Applications authorized $1.5 million for 1987.

This modest program, which has broad-based support from the National Association of Regulatory Utility Commissioners, the American Gas Association, the American Public Power Association, the Edison Electric Institute, and the National Association of State Utility Consumer Advocates, would return the benefits of taxpayer-funded research to U.S. utilities and ratepayers.

The essence of the technology transfer program is to provide information on the full range of energy efficiency technologies to utilities. It is noteworthy, that a survey conducted by Representative Schneider's office last fall in preparation for a hearing on the least-cost initiative found an overwhelmingly favorable response from state utility commissioners seeking federal leadership in providing the transfer of information outlined in this initiative. With the Chairman's permission, we would like to submit for the record an article from Public Utilities Fortnightly that nicely sums up the results of the survey, as well as an article prepared for the same magazine which describes the least-cost planning initiative in greater detail.

Keyworth Steel R&D Initiative

We would also like to bring to the attention of the Subcommittee an effort known as the Keyworth Steel R&D Initiative, a cost-shared program with industry, bringing industry and university researchers to the Department of Energy's national laboratories to develop "leapfrog" technology in steel-making, processes that "leapfrog" what our foreign competitors are now using.

This subcommittee has been very supportive of the Keyworth Initiative and we want to thank you today for your support. Unfortunately, the $7.4 million appropriation proposed by the subcommittee, and enacted into law last year, has been stymied by the Administration's abuse of the deferral process. We not only are grateful for the initial recommendation of $7.4 million for fiscal 1986, but also for your tenacity in overturning the deferral. We look forward to working with you in efforts to sustain this funding.

The problems of the American steel industry are many. High on the list is the "global shift" in technological leadership. U.S. industry has lost its technological advantage, which was a key to its success in the two decades following World War II. By virtually allowing the demise of steel research and development, we have forfeited much of our industry while our foreign competitors have surged ahead in productivity and quality products. Technological modernization is critical to the industry's survival.

Fiscal 1987 Authorization Action

The Science Committee's Subcommittee on Energy Development and Applications, in the 1987 Department of Energy Civilian Research and Development authorization bill, has approved legislation to spell out for DOE several specific requirements for the Keyworth Steel Initiative and make it a five-year program. For example, in consultation with the NBS and industry and university representatives, the Secretary would develop a plan as part of the Department of Energy's industrial energy conservation programs, . Priority would be given to four areas: (1) the reduction of domestic raw material to liquid steel; (2) the production of near-net shape solids from liquid steel; (3) the development of universal grades of steel; and (4) the application of automatic processing technology. The federal share of the cost would be 70 percent, with the remainder coming from non-federal sources. Proprietary rights of the industry would be protected.

For 1987, we are authorizing $10 million for the Department of Energy's share, the same amount that this subcommittee approved last year for fiscal 1986. In the National Bureau of Standards authorization for fiscal 1987, we are confident that we can designate $2.5 million for Keyworth, as was authorized and appropriated last year. We believe this language will give the Department clear direction while still leaving sufficient latitude in program management. As soon as the House budget resolution takes shape, we will push for swift enactment of the Keyworth Initiative.

We believe that combining the talents of government, industry and universities in the national laboratories, with their expertise in fields like metallurgy and large-scale engineering, is a "good marriage." Much planning has been done by the administration in putting the Keyworth Initiative together.

Modernization Critical

The "global shift" in technological leaership is well documented. Japan, in contrast to the United States, has given generous R&D assistance to its steel industry and, with the largest ferrous metals R&D program in the world, has constructed and operated the most efficient steel mills in existence. In response to public discussion about the Keyworth Initiative, we have been told that the Japanese have spent $65 million on steel R&D in the last two years. The total number of U.S. industry steel researchers is less than that of one Japanese company.

Many American plants are old. Only two plants have been built in the U.S. since 1950; Japan has been able to replace virtually their entire industry since World War II. Accoring to NAS, newer plants enable the Japanese to use the latest technology, materials assembly, materials flow, and process control techniques.

Why a Strong Steel Industry ?

A continuous and adequate supply of steel is one of the foundations of our economy and our national security. A recent National Academy of Sciences study observed that there are four times as many indirect jobs in industries dependent on steel for business per year as there are direct jobs in the steel industry. In terms of national defense, almost every item of military hardware contains steel in some form, and no other materials can provide the required properties at an acceptable cost. "There is no debate on the issue of whether we should maintain a steel industry capable of providing for a strong national defense," noted the Academy.

As members of the Appropriations Committee, you have to make many hard decisions and walk a tightrope in federal priority setting, particularly at this critical time in our history. It is alarming that President Reagan has requested a $1 billion increase -- 14 percent in DOE's nuclear weapons budget -- but a 50 percent cut in other DOE energy conservation programs. In our view, the nuclear weapons budget can be restrained without harming national security, and priorities should be shifted to help save our basic industries. The money is there; it's a question of priorities. Supporting research in an industry is not unprecedented; 72 percent of aerospace R&D is government supported.

There could hardly be a higher priority than helping one of the nation's most basic industries become more competitive in the world economy. If we continue to wait for this problem to solve itself, we will have a long wait as the industry -- and many communities -- go down the tubes. The longer we neglect, the more intense government involvement will have to be.

Fossil Energy R&D Program

The Fossil Energy Research and Development program supports basic research into the development of economical, reliable, and environmentally sound sources of energy for the future. Much of the important work of the fossil energy program is conducted at the Argonne National Laboratory in Illinois and at federal energy technology centers, such as the one located in Pittsburgh, Pennsylvania. Additional work is performed by private contractors including many universities throughout the country.

The coal portion of this program focuses on ways to improve the use of our region's most abundant fossil fuel, and includes support for technologies that will help burn coal more cleanly. Coal provides 60 percent of the electricity and a quarter of the industrial energy of the Northeast-Midwest region. The region's demonstrated reserve base contains enough coal for 750 years at current levels of demand. Most of the region's coal reserves, however, have a high sulfur content, raising environmental concerns about its use.

In fiscal 1986, following Gramm-Rudman-Hollings sequestration, Congress provided $246 million for the coal portion of the fossil energy program. For fiscal 1987, the administration has proposed to reduce the coal R&D program by $162 million to a level of $82 million. Funding for Fossil Energy R&D has already declined greatly since fiscal 1981 when it totaled $672 million. Funding at the administration's proposed level would cripple the national effort to develop this domestic resource.

On March 19, the Subcommittee on Energy Development and Applications of the Science and Technology Committee made its recommendations for funding for the Department of Energy for fiscal 1987. The recommendations combine a recognition of our obligations to seek a budget savings where possible with the need to pursue important national energy objectives.

The Science and Technology Committee has supported an increase of $133 million to the administration's request for fiscal 1987 in fossil energy R&D. This figure is a good start toward restoring the funding warranted by these programs.

The figures of the Energy Development and Applications Subcommittee represent the absolute minimum that should be provided for Conservation and Fossil Energy Research and Development, rather than a funding target. It is assumed that similar levels of reductions will be made by other committees in their programs. If other programs do not share the responsibility of deficit reduction, we are concerned that Conservation and Fossil Energy will suffer a double blow -- once during regular appropriations and again later as a result of an across-the-board cut if necessary to achieve the Gramm-Rudman-Hollings deficit reduction goals. We therefore recommend holding these programs at fiscal 1986 levels until the effects of the Budget Resolution on the deficit can be determined. If equitable reductions are required in these programs as part of a general deficit reduction plan, then we recommend that your committee implement reductions along the lines suggested by the Energy Development and Applications Subcommittee, but maintain funding above the absolute minimum to the extent possible.

In light of the President's recent endorsement of the Lewis-Davis report, which concluded that acid rain is a serious problem, and the introduction of legislation into the House that would require major emission reductions, those programs within fossil energy that assist in the clean use of coal assume particular importance. Examples of these programs include combustion systems for heavy industrial and utility applications, alternative fuels, coal preparation (including ancillary operations), and flue gas cleanup. Special emphasis should be placed on restoring the funding for these activities.

Another major clean coal initiative within the Department of Energy is the Clean Coal Technology program. Beginning with fiscal 1986, Congress has appropriated $400 million over the next three years for this program in installments of $100 million, $150 million, and $150 million. We would like to commend this committee on its excellent work in providing support for this program last year, and we hope that this subcommittee will continue to work with the administration in providing guidance for this program. If projects supported by this first round of funding under the Clean Coal program are successful in demonstrating effective and economical clean coal technologies, the Congress should consider releasing the final $350 million remaining in the clean Coal Technolgoy Reserve. These funds should only be released, however, only if they are used as part of a pollution control program requiring emission reductions.

Energy Information Administration

Under the administration's proposal, the Energy Information Administration would receive $59.7 million in fiscal 1987, compared to $57.7 million in fiscal 1986, after sequestration. However, the budget request assumes an increase of $2.6 million in EIA's administrative support to the Department of Energy (over and above what they contribute currently). At the same time, funding for the collection and publication of vital information would be cut by $2.8 million.

To meet its projected budget, EIA proposes to eliminate two state-level energy publications, the State Energy Data Report and the State Energy Price and Expenditures Report, as well as the Heating Oil Grant Program.

Allocation formulas for the Low-Income Home Energy Assistance Program (LIHEAP), the Low-Income Weatherization Program, and oil overcharge distributions -- totaling over $4 billion in 1986 -- rely on the state-level energy information published in the state reports. This data is needed to evaluate the potential impact of energy tax proposals now under consideration, such as an oil import fee and the Superfund petroleum excise tax, and the impact of federal energy policy on price and demand for energy over time. These issues are of great significance to the region and its states. EIA is the only source of comprehensive and consistent energy price and consumption data at the state level. Congress mandated the collection and publication of this information in Section 507 of the Energy Policy and Conservation Act.

The Heating Oil Grant Program provides states with funding for a heating oil inventory and price monitoring program, allowing them to track the retail price of fuel oil for residential customers on a biweekly basis. In fiscal 1986, 13 states in the Northeast-Midwest region participated in the program. Although oil prices are at the lowest level in at least seven years, energy experts agree that the oil market is volatile, and rapid price swings are expected in the future. This program allows states with a high concentration of home heating oil use to monitor heating oil stocks and prices during the crucial winter months. We support the proposed funding level to produce reports used and reused by Congress. We appreciate the Subcommittee's action in the past to protect these essential reports and programs in its report language and request that you take that action again this year.

The EIA is sending five petroleum marketing forms to the Office of Management and Budget for clearance this summer. These forms (the Petroleum Product Price and Sales Volume Forms, the Foreign and Domestic Crude Oil Cost Forms, and the Fuel Oil Sales Form) collect the bulk of the state level production, consumption, and price information. In the past, OMB has been reluctant to approve the forms collecting state-level petroleum information. We believe it would be extremely helpful if the subcommittee would include report language requiring EIA to provide the same level of petroleum marketing data under its 1987 budget as it is currently publishing. The information is required by Section 507 of the Energy Policy and Conservation Act. This would require no additional expenditures of funds.

This concludes our testimony. We greatly appreciate the leadership you have provided in many of these areas in the past. Thank you.

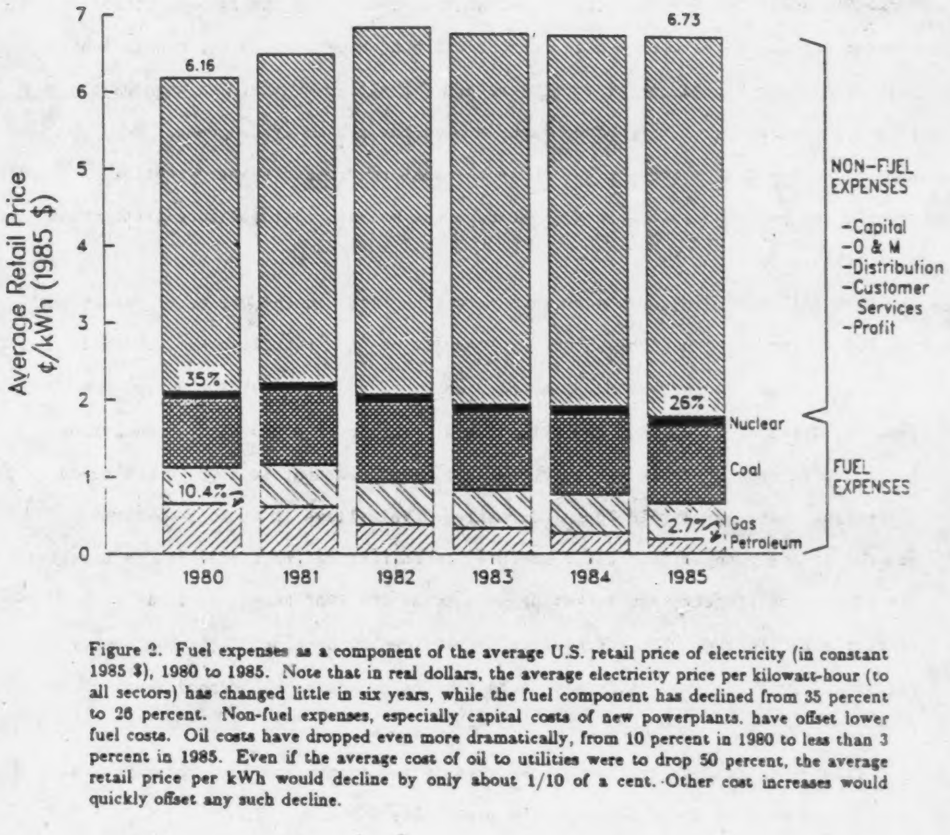

Figure 2. Fuel expenses as a component of the average U.S. retail price of electricity (in constant 1985 $), 1980 to 1985. Note that in real dollars, the average electricity price per kilowatt-hour (to all sectors) has changed little in six years, while the fuel component has declined from 35 percent to 26 percent. Non-fuel expenses, especially capital costs of new powerplants, have offset lower fuel costs. Oil costs have dropped even more dramatically, from 10 percent in 1980 to less than 3 percent in 1985. Even if the average cost of oil to utilities were to drop 50 percent, the average retail price per kWh would decline by only about 1/10 of a cent. Other cost increases would quickly offset any such decline.

THURSDAY, APRIL 17, 1986.

OUTER CONTINENTAL SHELF OIL AND GAS LEASING

WITNESSES

HON. MEL LEVINE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

LEON E. PANETTA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

HON. BARBARA BOXER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. MURTHA. The gentleman from New Mexico, Mr. Richardson.

The gentleman from California, Mr. Levine.

Try to keep this to five minutes.

Mr. PANETTA. We can be very concise.

Mr. MURTHA. You have worked out a deal?

Mr. LEVINE. Completely. If you ratify the deal we have put together for you.

Mr. MURTHA. We have supported you, I think, 100 percent.

Mr. LEVINE. You certainly have. We appreciate it a lot.

Mr. MURTHA. We appreciate the difficulty in this very complex issue and the work you have done. You have been instrumental in keeping us, I think, in trying to reach a solution that would be equitable and fair, and it has come a long way since the original divisiveness that used to be involved in this issue.

Mr. LEVINE. Thank you very much. I have a statement——

Mr. MURTHA. It will appear in the record in its entirety.

Mr. LEVINE. Let me mention procedurally, obviously you are up to date on the procedure in terms of where we are at this stage, and we are very grateful to the subcommittee for the consistent help it has given us in helping us to fashion what will be a fair and equitable agreement, and at times when we have no other choice because of unresponsiveness of the Interior Department in helping us with a moratorium when that was the only alternative we had in order to maintain leverage.

Ever since I have been a member of Congress, Mr. Chairman, I have unfortunately had to come before this subcommittee seeking that assistance, and each time you have been very responsive, very thoughtful and very helpful, and we are grateful to you. We are involved in negotiations that we are quite hopeful will result in some progress and some achievement in terms of a compromise result. But we feel that again we have no choice but to come before you at this point in time because the negotiations presumably will occur over the course of the next several weeks or months, and by the time you get around to marking up your vehicle, we will then know whether we will be able to succeed in obtaining a negotiated settlement.

In the event we are not able to succeed in obtaining it, we feel it was prudent, and frankly necessary prospectively, to come before you at this stage in the process given the timeframe of this subcommittee seeking a moratorium in the event a negotiated settlement is something that can't be obtained. I don't think that it is necessary to go over the entire history, a summary of that is placed in——

Mr. **Murtha**. The committee is well aware of it.

Mr. **Levine**. Let me mention briefly before turning this over to Mr. Panetta, I historically have consistently appeared on two issues, both of which the subcommittee has been helpful. One is the OCS issue, the other is seeking an appropriation for land acquisition in the Santa Monica Mountains National Recreation area. You have consistently been helpful on that as well.

My testimony on that is contained in the written record. Again, it is essential for us to go this route, and I hope that you will provide us with the same type of responsiveness on that critical issue as you have on the other.

Let me mention briefly on the OCS issue, I believe you know this, Mr. Chairman, there is no issue of greater consequence in my district than the issue of OCS protection. I represent the Santa Monica area. The beaches in the Santa Monica Basin area are the most heavily used beaches in the Nation. Our Governor, even when he made the decision to back off on his support for the moratorium, did indicate some areas where long-term protection was necessary, one of those being the Santa Monica Bay.

So being in Mr. Panetta's district as well, there are some areas along the coast of California that are simply irreplaceable, that are simply national treasures, and in light of the persistence of this administration to make no distinctions or certainly no meaningful distinctions on areas that require long-term environmental alternatives, perhaps it would be more amenable to offshore drilling. We just need to continue to come before this subcommittee and if an agreement does not materialize, that this subcommittee will continue to provide not just to us obviously, but to our constituents, to people throughout the country who use these resources, the type of protection this subcommittee has historically provided.

[The statement of Mel Levine follows:]

STATEMENT OF REPRESENTATIVE MEL LEVINE
BEFORE THE
HOUSE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS
APRIL 17, 1986

MR. CHAIRMAN, I WISH TO THANK YOU FOR GIVING ME THIS OPPORTUNITY TO TESTIFY BEFORE YOUR SUBCOMMITTEE ON THE FISCAL YEAR 1987 INTERIOR DEPARTMENT APPROPRIATIONS BILL. I VERY MUCH APPRECIATE YOUR ONGOING INTEREST AND SUPPORT.

FOR THE PAST THREE YEARS, I HAVE COME BEFORE THIS SUBCOMMITTEE TO REQUEST INCLUSION OF A MORATORIUM ON OIL AND GAS LEASING IN CERTAIN ENVIRONMENTALLY AND ECONOMICALLY SENSITIVE AREAS OF THE OUTER CONTINENTAL SHELF OFF THE COAST OF CALIFORNIA. IN ADDITION, I HAVE SOUGHT AN APPROPRIATION FOR LAND ACQUISITION IN THE SANTA MONICA MOUNTAINS NATIONAL RECREATION AREA. I DO SO AGAIN TODAY.

I WISH I DID NOT HAVE TO APPEAR HERE THIS YEAR TO URGE THAT THE MORATORIUM BE REINSERTED IN THIS BILL. IT IS UNFORTUNATE THAT AFTER LAST SUMMER'S INTENSE NEGOTIATIONS WHICH PRODUCED A FAIR AND WORKABLE COMPROMISE, THERE NOW IS NO AGREEMENT. THE OCS COMPROMISE, WHICH WAS ANNOUNCED JOINTLY BY SECRETARY HODEL AND A BIPARTISAN GROUP OF CALIFORNIA MEMBERS ON JULY 16, 1985, WOULD HAVE PROVIDED SOME LONG-TERM STABILITY IN DEVELOPING A BALANCED OFFSHORE DEVELOPMENT POLICY FOR THE NATION, FOR CALIFORNIA AND FOR ITS COASTAL COMMUNITIES.

AS YOU KNOW, MR. CHAIRMAN, ON THE DAY THAT COMPROMISE WAS ANNOUNCED, WE AGREED TO DROP THE MORATORIUM PROVISION FROM THE FISCAL YEAR 1986 INTERIOR APPROPRIATIONS BILL AS A SHOW OF GOOD FAITH. LITTLE DID WE KNOW THAT IN SEPTEMBER, SECRETARY HODEL WOULD WALK AWAY FROM THAT PRELIMINARY AGREEMENT, LARGELY AS A RESULT OF INTENSE INDUSTRY PRESSURE.

NOW, WHILE WE ARE PARTICIPATING IN A NEW SET OF NEGOTIATIONS WITH SECRETARY HODEL AND HIS REPRESENTATIVES, THE DEPARTMENT OF THE INTERIOR HAS CHOSEN TO GO FORWARD IN ISSUING CALLS FOR INFORMATION FOR CALIFORNIA LEASE SALES, AND IS MOVING FULL SPEED AHEAD TOWARDS THE IMPLEMENTATION OF ITS NEXT FIVE-YEAR PLAN. IT IS VERY CLEAR TO ME AND TO MANY OF MY COLLEAGUES ON THE NEGOTIATING TEAM THAT WE NEED THE LEVERAGE OF A MORATORIUM TO GO FORWARD ON A FAIR FOOTING, TO GIVE THE INTERIOR DEPARTMENT A REAL INCENTIVE TO REACH AN AGREEMENT WITH US.

MR. CHAIRMAN, THE OIL INDUSTRY ARGUES THAT CALIFORNIA IS NOT DOING ITS FAIR SHARE IN EXPLORING AND DEVELOPING OIL OFF ITS COAST. YET ONSHORE AND OFFSHORE DEVELOPMENT IN THE STATE NOW CONTRIBUTES OVER TEN PERCENT OF U.S. DOMESTIC CRUDE. DEVELOPMENT OF HIGH-POTENTIAL COASTAL WATERS IS MOVING RAPIDLY, WITH A 500% INCREASE IN PRODUCTION ANTICIPATED IN THE NEXT FEW YEARS FROM LEASES ALREADY GRANTED. BY 1990 CALIFORNIA WILL BE THE SECOND LARGEST PRODUCER OF OFFSHORE OIL, WITHOUT DRILLING IN ANY AREAS PREVIOUSLY INCLUDED IN THE MORATORIUM.

THE ADMINISTRATION ARGUES THAT DRILLING UP AND DOWN CALIFORNIA'S

COASTLINE IS VITAL TO INSURE ADEQUATE SUPPLIES OF OIL IN THE EVENT OF AN ENERGY CRISIS. I DON'T KNOW HOW THE ADMINISTRATION CAN MAKE THIS ARGUMENT WITH A STRAIGHT FACE. WHILE RAISING THE SPECTRE OF AN IMMINENT ENERGY CRISIS AND THE NEED FOR ENERGY PREPAREDNESS, IT PROPOSES A HALT TO THE FILLING OF THE STRATEGIC PETROLEUM RESERVE, SEVERE CUTBACKS IN FUNDING FOR ALTERNATIVE ENERGY SOURCES, THE SALE OF ALASKAN OIL, THE SALE OF OUR NATION'S TWO NAVAL PETROLEUM RESERVES AND THE LOWERING OF AUTOMOBILE FUEL ECONOMY STANDARDS.

ACCORDING TO THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, RELAXING THESE MILEAGE STANDARDS COULD LEAD TO AN EXTRA 1.5 BILLION GALLONS OF GASOLINE BEING USED DURING THE LIFETIME OF THE CARS SOLD DURING THE 1986 MODEL YEAR. THIS IS MORE THAN TWO TIMES THE LIKELY OIL RESERVES BENEATH SANTA MONICA BAY, WHERE THE INTERIOR DEPARTMENT WOULD LIKE TO SEE OIL RIGS.

CERTAINLY, I SHARE THE GOAL OF A SECURE ENERGY FUTURE. BUT THE NATIONAL INTEREST DOES NOT REQUIRE THE DEPARTMENT OF THE INTERIOR TO LEASE ALL OCS AREAS OFFSHORE CALIFORNIA. BARRING AN ENERGY EMERGENCY, THERE SHOULD BE SPECIAL CONSIDERATION GIVEN TO THOSE AREAS WHERE THE NEGATIVE IMPACTS ON LOCAL ECONOMIES AND THE ENVIRONMENT OUTWEIGH THE BENEFITS OF THE POTENTIAL ENERGY TO BE OBTAINED, AS WAS THE CASE IN ALL PRIOR ADMINISTRATIONS, BOTH REPUBLICAN AND DEMOCRATIC.

THERE IS PROBABLY NO ISSUE OF GREATER IMPORTANCE TO MY DISTRICT THAN PRESERVING THE SANTA MONICA BAY FROM OFFSHORE OIL DRILLING. MY

DISTRICT INCLUDES 50 MILES OF SOUTHERN CALIFORNIA'S MOST BEAUTIFUL AND PRECIOUS COASTLINE. SANTA MONICA BEACHES ARE THE MOST HEAVILY USED BEACHES IN THE COUNTRY. OFFSHORE OIL DRILLING IN SANTA MONICA BAY WOULD SIGNIFICANTLY THREATEN COASTAL TOURISM, RECREATION, FISHING AND MARINE LIFE, TO SAY NOTHING OF THE DAMAGING EFFECTS IT WOULD HAVE ON SOUTHERN CALIFORNIA'S AIR QUALITY, WHICH FAILS TO MEET OZONE ATTAINMENT STANDARDS 1/3 OF THE YEAR.

THIS OFFSHORE OIL DRILLING CONTROVERSY HAS PLAGUED THE CONGRESS, THE INTERIOR DEPARTMENT, THE OIL INDUSTRY, STATE OFFICIALS AND LOCAL RESIDENTS EVER SINCE FORMER SECRETARY WATT INSTITUTED HIS AREA-WIDE APPROACH TO LEASING. WITHOUT AN AGREEMENT, THE ARGUMENTS, THE BITTERNESS AND MOST IMPORTANTLY, THE LITIGATION, WILL CONTINUE. THOSE OF US WHO NEGOTIATED LAST SUMMER'S AGREEMENT BELIEVED IT WAS PREFERABLE TO EITHER PERSISTENT LITIGATION OR MORATORIA, AND WE CONTINUE TO PARTICIPATE IN DISCUSSIONS WITH THAT IN MIND.

MR. CHAIRMAN, REIMPOSING THE MORATORIUM IS CRITICAL TO ENSURE PRODUCTIVE AND SERIOUS NEGOTIATIONS WITH THE INTERIOR DEPARTMENT SO THAT WE MAY REACH A LONG-TERM SOLUTION TO THIS CONTROVERSY.

MY OTHER REQUEST IS FUNDING FOR LAND ACQUISITION IN THE SANTA MONICA MOUNTAINS. AS YOU KNOW, PRESIDENT REAGAN HAS ONCE AGAIN REQUESTED NO SUCH FUNDS IN THIS YEAR'S BUDGET PROPOSAL. I VERY MUCH APPRECIATE YOUR PAST SUPPORT IN PROVIDING THE PARK SERVICE WITH THE RESOUCES TO PURCHASE IMPORTANT PARCELS OF LAND AND TO OPERATE PROGRAMS IN THE MOUNTAINS. TODAY, I SEEK YOUR ADDITIONAL SUPPORT.

FUNDING IS NEEDED TO ACQUIRE UNDEVELOPED PORTIONS OF SEVERAL CANYONS AND TRAILWAYS THAT LINK MAJOR ACTIVITY CENTERS IN THE PARK. DELAYS IN ACQUISITION HAVE ESCALATED PURCHASE COSTS AND MAY MEAN LOST OPPORTUNITIES TO OBTAIN KEY PARCELS THAT ARE THREATENED WITH DEVELOPMENT. SIGNIFICANT ECOLOGICAL AREAS PLANNED FOR ACQUISITION INCLUDE ZUMA AND TRANCAS CANYONS; PRIORITY RECREATION AREAS INCLUDE SOLSTICE CANYON AND THE CLARETTVILLE AND QUAKER CORPORATION PROPERTIES. AND PURCHASE OF THE LEO CARILLO CONNECTOR AND THE BACKBONE TRAIL ARE KEY TO COMPLETING THE TRAIL SYSTEM.

OVER 30 MILLION PEOPLE USE THE BEACHES WITHIN THE NATIONAL RECREATION AREA EVERY YEAR. BY THE YEAR 2000, THE GREATER LOS ANGELES AREA IS EXPECTED TO BE THE MOST POPULOUS AND MOST DENSE URBAN AREA IN THE NATION. AS THAT FIGURE GROWS, THE NATURAL RESOURCES AND RECREATIONAL OPPORTUNITIES IN THE PARK WILL ATTAIN INCREASING STATUS AS A RELATIVELY UNSPOILED AREA OF OPEN SPACE AND NATURAL BEAUTY.

MR. CHAIRMAN, THE NATIONAL PARK SERVICE HAS STATED THAT THE SANTA MONICA MOUNTAINS AREA POSSESSES "A MULTI-DIMENSIONAL NATIONAL SIGNIFICANCE." INCLUDING FUNDS FOR ADDITIONAL LAND ACQUISITION IN THE FY 1987 INTERIOR APPROPRIATIONS BILL WOULD CONTRIBUTE ENORMOUSLY TO THE PRESERVATION OF THIS BEAUTIFUL PARK FOR CURRENT RESIDENTS AND VISITORS AND, MOST IMPORTANTLY, FOR FUTURE GENERATIONS.

THANK YOU AGAIN FOR GIVING ME THIS OPPORTUNITY TO TESTIFY BEFORE YOU TODAY.

Mr. **Murtha**. I hope you will be able to work something out. Each year we hope it is going to be worked out. Can you give us the progress? Are you having meetings and so forth?

Mr. **Panetta**. Yes.

Mr. **Levine**. Let me make one other point, and that is to say to the gentleman on your right, Mr. Regula, we all appreciate the time he is spending on this issue. I must say this is a thankless task for all of us.

Mr. **Regula**. It is not a big issue in the 16th District of Ohio.

Mr. **Levine**. It is a critical issue, spending the time, and yet for you, Ralph, to spend the hours you are spending to try to bring together the district actions on what is a vital issue to us and what is not key to the citizens of your district, it means an enormous amount to all of us.

Mr. **Regula**. It is in the sense, I think, we have to think about ten years from now, because this glutton won't last forever, and we all know what it did to jobs. Ours is a fuel intensive state, we have a lot of heavy industry, so I think there is a national concern we are all trying to address and balance the equities of both California and the rest of the Nation.

Mr. **Levine**. You are the one who has been willing to spend the time on it, so we are grateful to you.

Mr. **Murtha**. Mr. Panetta.

Mr. **Panetta**. Mr. Chairman, always nice to see you.

Mr. Chairman, Ralph, basically what we come here to do is to ask you to keep the option open on reinstating the moratorium should these negotiations not prove successful. We feel it is our obligation and we feel it is in keeping with the spirit that brought this negotiation together to begin with.

The negotiating group, I am co-chairman, along with Senator McClure, and just to give you a summary, because I know the deep interest in the subcommittee and the work you have done in trying to put this together, we have met six times with representatives of the Interior Department. Most of those meetings have frankly been informational. We have brought supervisors in from California of the areas that are affected, they have presented testimony. We have brought in the Attorney General, a representative from the Coastal Commission, we have brought in industry representatives from the oil companies to make sure of their presentations as to the areas of interest to them, and we have also brought in environmentalists to make their arguments as well.

We concluded that process last week in terms of just building an information base. Frankly it was not so much needed for the members who have been on this issue year in and year out and do not represent those areas, but we felt because we do involve members from other states, like Ralph and Jim McClure, Mike Lowry, Jack Fields and others who are part of this negotiating team, we had to establish an information base.

We now are in the process of getting down to hard negotiations. We had a meeting scheduled yesterday while Senator McClure was on the floor on the issue of hydroelectric licensing, so he was not available, and we felt rather than proceed without a key player present that we would reschedule for next Tuesday. We intend to meet each week as long as we can over these next three to four weeks with very hard negotiations in terms of seeing whether we can bring some of these concepts together.

We have, I want to indicate to the chairman and to the rest of the subcommittee, developed at least some conceptual ideas that I think can be explored, and I remain hopeful that that is something that can bring us to a positive conclusion. But in order for this to succeed, we have to operate on a level playing field. Without that, you can't do it. I mean, if we are in a free fall and the Secretary is standing on a cliff, it doesn't help very much in terms of negotiating. So we have to be on a level playing field. Now the Secretary obviously was given at least the possibility of proceeding with the five-year plan. It was contained in the legislation, it said he may proceed.

He decided to proceed with the announcement of the five-year plan plus a call for a nomination. It probably would have been more helpful to the negotiations had he not decided to proceed, but so be it. It was his option, and he has proceeded.

At the same time, we recognize that it was our option to proceed with the moratorium, if indeed these negotiations did not conclude on a positive basis. Indeed, I want to refer you to the language, because I understand today unfortunately the Secretary made a comment at a press briefing that somehow our appearance here represents an abandonment of the consultation process. Nothing could be further from the truth. And I just want to urge you to look at the record that we have in the legislation that was adopted last year. We said the Secretary may proceed with preliminary sales tax. He has proceeded. We also said that Congress may reconsider this matter if it does not succeed. So I am asking you to keep that option open. That is all I am doing at the present time.

The Secretary, himself, has said on March 19th if we are unsuccessful—right here before the subcommittee—if we are unsuccessful in reaching a successful agreement to persuade members of Congress they should not renew their efforts for a moratorium by reaching that conclusion by the end of May, we give them an opportunity to renew their request to the Congress.

So I just want to make clear for the record that we understand that they would proceed, that we have the option of proceeding, and that is why we appear before you today. In the words of a very good Republican President: "Fool me once, shame on you; fool me twice, shame on me." We don't intend to be fooled again. We went through this process before.

Mr. REGULA. Which President was that?

Mr. MURTHA. What is your prediction? What do you see happening? Are you making progress? You are having meetings. Are you making progress?

Mr. PANETTA. I have given you the positive aspect. Through these series of informational meetings, I think we have shaken down some concepts. One of the things I regret, frankly, very much is the fact the Secretary has only been present at one of those meetings. He has had representatives present at subsequent meetings, and we hope that he, himself, can participate when we get down to these hard negotiations over these next few weeks.

But we are now, frankly, in the difficult period. Whether or not these are successful will depend on how these negotiations go over the next three to four weeks. I remain hopeful, in talking with people like Ralph and Jack Fields and others who are just coming into the process, that they see the problems that are out there, they see the political problems, they see the environmental problems and obviously the resource problems, and I am hoping that with the good faith of those kinds of members that we can find a solution here. I want to assure you of the good faith of the members from California that we intend to do everything possible to see if we can reach that conclusion.

We don't think fighting moratoriums on a yearly basis makes sense either, believe me, but if it is the only way we can protect the coastline there, then we are going to make that battle. I have presented, just in summary, the reasons why we are concerned about the five-year plan, and I submit that for the record.

I also want to bring to your attention two other things that you have included money for, one being the Post property in Big Sur, in the past. It was included on the House side, but knocked out on the Senate. It is extremely important property, and the Forest Service would like to be able to have the funds to be able to acquire that, and the other thing is a multi-agency headquarters to try to protect Big Sur. We have about 26 different agencies that are involved in some way with the Big Sur coastline.

Mr. REGULA. Federal and State.

Mr. PANETTA. Both Federal, state and local. And what I would like to do is bring them together in a multi-agency headquarters to see if we can't get them to work in unison for policies to protect that area. I would urge your consideration.

Thank you very much.

[The statement of Leon E. Panetta follows:]

TESTIMONY OF THE HONORABLE
LEON E. PANETTA
BEFORE THE HOUSE APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR
APRIL 17, 1986

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I WANT TO THANK YOU FOR GIVING ME THE OPPORTUNITY TO APPEAR BEFORE YOU TODAY TO EXPRESS MY STRONG SUPPORT FOR A REENACTMENT OF THE CALIFORNIA OUTER CONTINENTAL SHELF OIL AND GAS LEASING MORATORIA FOR FISCAL YEAR 1987, AND FOR TWO PROJECTS IN MY DISTRICT WHICH ADDRESS THE NEED TO PROTECT THE SPECTACULAR BIG SUR REGION OF CALIFORNIA'S CENTRAL COAST.

THE MORATORIUM

AS YOU KNOW, NEGOTIATIONS ARE CURRENTLY UNDERWAY BETWEEN MEMBERS OF CONGRESS AND INTERIOR SECRETARY HODEL AIMED AT RESOLVING THE OUTSTANDING CONFLICTS WITH RESPECT TO OCS LEASING OFF THE STATE OF CALIFORNIA. THE NEGOTIATING GROUP HAS MET SIX TIMES WITH REPRESENTATIVES OF THE INTERIOR DEPARTMENT, AND I FEEL POSITIVE ABOUT THE PROGRESS OF THESE TALKS.

UNFORTUNATELY, IT HAS BEEN SUGGESTED THAT IT IS SOMEHOW INCONSISTENT FOR MEMBERS OF THE NEGOTIATING TEAM TO SPEAK IN SUPPORT OF A MORATORIUM. NOTHING COULD BE FURTHER FROM THE TRUTH. IT IS BECAUSE I DEEPLY WISH THE NEGOTIATIONS TO SUCCEED THAT I AM ASKING THE SUBCOMMITTEE TO REINSTATE THE LEASING RESTRICTIONS WHICH WERE IN PLACE UNTIL LAST DECEMBER. JUST AS THE INTERIOR DEPARTMENT HAS PROCEEDED WITH A NEW FIVE YEAR PLAN AND WITH THE PREPARATION OF TWO LEASE SALES OFF CALIFORNIA DURING THE COURSE OF THE NEGOTIATIONS, IT IS CLEAR THAT WE MUST PROCEED WITH EFFORTS TO PROTECT THE COAST.

A REENACTMENT OF THE MORATORIUM WOULD SEND A MESSAGE TO THE ADMINISTRATION THAT THE CONGRESS IS SERIOUS ABOUT RESOLVING THE LONG-

STANDING DISPUTE OVER THIS ISSUE. IT WOULD ALSO PREVENT THE INTERIOR DEPARTMENT FROM PROCEEDING WITH ITS ILL-ADVISED LEASING PLANS IN THE EVENT THAT THE NEGOTIATIONS FAIL TO PRODUCE AN ACCEPTABLE AGREEMENT. THIS ACTION WAS CONTEMPLATED IN THE REPORT LANGUAGE ON THE CONTINUING RESOLUTION FOR FISCAL YEAR 1986, WHICH RECOGNIZED THAT THE DEPARTMENT "MAY PROCEED WITH PRELIMINARY SALE STEPS" DURING THE COURSE OF THE NEGOTIATIONS AND ALSO THAT "IF AFTER A REASONABLE PERIOD THERE IS NO AGREEMENT BETWEEN THE PARTIES, CONGRESS MAY RECONSIDER THIS MATTER." THE FACT IS THAT CONGRESS WILL NOT HAVE THE OPTION OF RECONSIDERING THE MATTER IF THIS SUBCOMMITTEE DOES NOT HAVE THE OPPORTUNITY TO CONSIDER IT TODAY.

FURTHER, SECRETARY HODEL HAS RECOGNIZED THAT MEMBERS OF THE CALIFORNIA DELEGATION WOULD BE REQUESTING A REENACTMENT OF THE MORATORIUM AND HAS EVEN STATED THAT AN OPPORTUNITY SHOULD BE PROVIDED FOR THIS PURPOSE. TESTIFYING BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT ON MARCH 4, THE SECRETARY SAID,

IF... WE ARE UNSUCCESSFUL IN REACHING A SUFFICIENT AGREEMENT TO PERSUADE MEMBERS OF CONGRESS THAT THEY SHOULD NOT RENEW THEIR EFFORTS FOR A MORATORIUM, BY REACHING THAT CONCLUSION BY THE END OF MAY, WE GIVE THEM AN OPPORTUNITY TO RENEW THEIR REQUEST TO THE CONGRESS. SO I THINK, IN FAIRNESS TO THEM, OUR CONCLUSION HAS BEEN THAT WE NEED TO TRY TO BRING THIS TO A HEAD BY THE END OF MAY."

MEMBERS OF THE DELEGATION DROPPED EFFORTS TO RENEW THE MORATORIUM LAST JULY BASED ON A GOOD FAITH VERBAL AGREEMENT WITH SECRETARY HODEL. FRANKLY, WE ARE NOT GOING TO MAKE THAT MISTAKE AGAIN. IT IS CLEAR THAT WE MUST KEEP OUR OPTIONS OPEN, JUST AS THE SECRETARY MUST KEEP HIS OPEN.

STATE SUPPORT FOR LEASING MORATORIA

I WOULD LIKE TO START OUT BY NOTING THE STRONG SUPPORT WHICH EXISTS IN CALIFORNIA FOR A REENACTMENT OF THE MORATORIA INTO FY 1987. WHILE CERTAIN INTERESTS HAVE SUGGESTED THAT SUPPORT FOR LEASING RESTRICTIONS IS LIMITED TO A SMALL NUMBER OF WEALTHY COASTAL RESIDENTS, A RECENT CALIFORNIA POLL CONDUCTED BY THE FIELD INSTITUTE INDICATES THAT 72 PERCENT OF CALIFORNIANS PLACE THE HIGHEST PRIORITY ON THE PROTECTION OF THE COAST FROM THE ADVERSE AFFECTS OF OFFSHORE DEVELOPMENT. IN PREVIOUS YEARS WE HAVE PRESENTED THE SUBCOMMITTEE WITH LETTERS IN SUPPORT OF THE MORATORIUM SIGNED BY TWO-THIRDS OF THE MEMBERS OF THE CALIFORNIA CONGRESSIONAL DELEGATION AND WE WILL PROVIDE A SIMILAR LETTER WITHIN THE COMING WEEKS. IN ADDITION, BOTH CALIFORNIA SENATORS AND CALIFORNIA'S ATTORNEY GENERAL HAVE EXPRESSED THEIR STRONG SUPPORT FOR A REENACTMENT OF THE MORATORIUM INTO FY 1987 AS WILL MOST OF THE CALIFORNIA REPRESENTATIVES WHO APPEAR BEFORE YOU TODAY.

AS WE CONSIDER A REENACTMENT OF THE MORATORIUM, WE FIND OURSELVES IN A UNIQUE AND IN MANY WAYS SUPRISING SITUATION. THE PRICE OF OIL HAS FALLEN TO A LEVEL MANY OF US THOUGHT WE WOULD NEVER SEE AGAIN, PRODUCING OIL WELLS ACROSS THE NATION ARE BEING CAPPED, THE OIL INDUSTRY HAS MADE DRASTIC CUTS IN EXPLORATION AND CAPITAL BUDGETS, AND THOUSANDS OF JOBS IN THE OIL FIELDS OF TEXAS, LOUISIANA, OKLAHOMA AND CALIFORNIA ARE BEING ELIMINATED.

THE ADMINISTRATION HAS RESPONDED TO THIS SITUATION WITH TWO SEPERATE, AND FUNDAMENTALLY INCONSISTENT, POLICIES. ON THE ONE HAND, THE AMERICAN PEOPLE ARE TOLD THAT CONSERVATION AND THE SEARCH FOR ALTERNATIVE FORMS OF ENERGY ARE NO LONGER NATIONAL PRIORITIES. THE

MESSAGE SEEMS TO BE THAT BECAUSE OIL IS CHEAP, WE CAN AFFORD TO STOP FILLING THE STRATEGIC PETROLEUM RESERVE, WE CAN WEAKEN THE AUTOMOBILE FUEL EFFICIENCY STANDARDS, WE CAN ELIMINATE TAX CREDITS FOR CONSERVATION AND ALTERNATIVE ENERGY RESOURCES AND WE CAN EVEN EXPORT ALASKAN CRUDE OIL TO JAPAN.

ON THE OTHER HAND, THE FALLING PRICE OF OIL HAS IN NO WAY WEAKENED THE ADMINISTRATION'S RESOLVE TO OPEN ALMOST THE ENTIRE CALIFORNIA OCS TO OFFSHORE OIL AND GAS DEVELOPMENT. THE FIVE YEAR PLAN PROPOSES LEASE SALES ALONG THE ENTIRE LENGTH OF THE STATE, DELETING ONLY SMALL AREAS WHICH ARE EITHER ALREADY STATUTORILY OR ADMINISTRATIVELY PROTECTED OR WHICH HOLD NO INTEREST FOR THE OIL INDUSTRY. THESE LEASE SALES WOULD TARGET COMMUNITIES CRITICALLY DEPENDENT ON THE STATE'S $16 BILLION COASTAL TOURIST INDUSTRY AND $1.75 BILLION COMMERCIAL FISHING INDUSTRY. IN ADDITION, THE PLAN FAILS TO RECOGNIZE THE POTENTIALLY DEVESTATING IMPACTS OF SUCH DEVELOPMENT ON A COASTAL ZONE WHICH IS ONE OF THE MOST BIOLOGICALLY SENSITIVE OFFSHORE AREAS IN THE WORLD.

OPPOSITION TO THE MORATORIA AND TO A MORE BALANCED APPROACH TO DEVELOPMENT IS BASED ON THREE ASSUMPTIONS WHICH I BELIEVE MUST BE CAREFULLY ANALYSED. THE FIRST ASSUMPTION IS THAT THE NATION'S FUTURE ENERGY SECURITY RELIES ON THE RAPID DEVELOPMENT OF THE HYDROCARBON RESOURCE OFFSHORE CALIFORNIA. THE SECOND ASSUMPTION IS THAT ANY OFFSHORE AREA CAN BE DEVELOPED WITH AN ABSOLUTELY MINIMAL IMPACT ON THE SURROUNDING MARINE ENVIRONMENT. THE FINAL ASSUMPTION IS THAT ACTIVITIES CARRIED ON IN FEDERAL WATERS BEYOND THE THREE MILE STATE TIDELANDS HAVE NO EFFECT ON THE COASTAL ZONE AND THAT THEREFORE REGULATION OF THESE ACTIVITIES SHOULD TAKE PLACE WITH MINIMAL LOCAL AND STATE IMPUT.

NATIONAL ENERGY SECURITY

WE NEED TO PUT THE WHOLE DEBATE OVER ENERGY SECURITY INTO PROPER PERSPECTIVE. THE DEPARTMENT'S LATEST ESTIMATES SUGGEST THAT WE CAN REASONABLY EXPECT TO FIND RESERVES OF 1.88 BILLION BARRELS OF OIL ON THE UNLEASED PORTIONS OF THE CALIFORNIA OCS. THE SIZE OF THESE UNLEASED RESERVES TAKES ON REAL MEANING WHEN COMPARED TO NATIONAL RESERVES ESTIMATED BY DOI TO BE APPROXIMATELY 66.8 BILLION BARRELS. THUS, CALIFORNIA'S UNLEASED OCS RESERVES REPRESENT LESS THAN 3% OF THE NATION'S TOTAL. CONSIDERING SAUDI ARABIA'S PROVEN RESERVES OF 168.8 BILLION BARRELS OF OIL, IT BECOMES CLEAR THAT EVEN COMPLETE DEVELOPMENT OF CALIFORNIA'S OCS RESOURCES WILL NOT HAVE A SIGNIFICANT IMPACT ON THE UNITED STATES' DEPENDENCE ON FOREIGN SOURCES OF OIL.

THIS IS NOT TO SUGGEST THAT CALIFORNIA'S OFFSHORE RESOURCES SHOULD NOT BE DEVELOPED. IN FACT, NO ONE IS SUGGESTING THIS. THE POINT IS THAT THE NATION CANNOT AFFORD AN ENERGY POLICY WHICH HAS AS ITS CORNERSTONE THE UNLIMITED DEVELOPMENT OF A RESOURCE WHICH, EVEN IF COMPLETELY DEVELOPED, CANNOT BE EXPECTED TO SOLVE THE NATION'S ENERGY PROBLEMS. THE RATIONAL DEVELOPMENT OF RESERVES OFFSHORE CALIFORNIA SHOULD BE A PART OF AN OVERALL ENERGY STRATEGY WHICH ALSO TAKES INTO ACCOUNT THE ONGOING NEED TO DEVELOP ALTERNATIVE ENERGY SOURCES AND, MOST IMPORTANTLY, CONSERVE THE RESERVES WE ALREADY HAVE.

I FULLY EXPECT THAT ADDITIONAL AREAS OFFSHORE CALIFORNIA WILL BE DEVELOPED FOR THEIR OIL AND GAS RESOURCES. SUCH DEVELOPMENT WILL ADD SIGNIFICANTLY TO PRODUCTION FROM LEASES ALREADY GRANTED - PRODUCTION WHICH IS EXPECTED TO INCREASE BY FROM FIVE TO EIGHT HUNDRED PERCENT OVER THE NEXT FIVE YEARS, MAKING CALIFORNIA THE NATION'S SECOND LARGEST PRODUCER OF OFFSHORE OIL. BUT DEVELOPMENT OF THESE AREAS MUST PROCEED CAREFULLY, TAKING INTO ACCOUNT THE NEED TO PROTECT MARINE AND

COASTAL ENVIRONMENTS AND TRADITIONAL COASTAL INDUSTRIES. ANY DEVELOPMENT PLAN SHOULD ALSO BE CRAFTED IN RECOGNITION OF THE FACT THAT OFFSHORE DEVELOPMENT IS SIMPLY INAPPROPRIATE IN MANY AREAS.

ENVIRONMENTAL IMPACTS

THE ASSUMPTION THAT OFFSHORE DEVELOPMENT CAN TAKE PLACE IN A MANNER ENTIRELY CONSISTENT WITH THE NEED TO PROTECT THE ENVIRONMENT IGNORES THE HISTORY OF THE DEVELOPMENT WHICH HAS ALREADY TAKEN PLACE. THE LEASING MORATORIUM WHICH EXPIRED LATE LAST YEAR WAS NECESSARY PRECISELY BECAUSE INTERIOR AND THE INDUSTRY ARE UNABLE TO ADEQUATELY MITIGATE THE ENVIRONMENTAL CONCERNS OF CALIFORNIANS.

NONETHELESS, THERE ARE THOSE WHO ARGUE THAT OF ALL THE CONCERNS WHICH HAVE BEEN VOICED OVER THE POSSIBLE IMPACTS OF OFFSHORE DEVELOPMENT, THE ONLY ONE WHICH MAY BE UNMITIGATABLE IS THE SIGHT OF PLATFORMS FAR OUT ON THE HORIZON. DON'T BE FOOLED BY THOSE WHO WOULD REDUCE OUR LEGITIMATE CONCERNS TO AN INCONSEQUENTIAL DISRUPTION OF THE VIEW.

WE ARE NOT TALKING ABOUT A BENIGN ACTIVITY BEING CARRIED OUT BEHIND THE COVER OF COASTAL FOG. WE ARE TALKING ABOUT HEAVY INDUSTRIAL DEVELOPMENT ALONG AREAS OF THIS NATION'S COASTLINE WHICH ARE AMONG THE WORLD'S MOST SPECTACULAR NATURAL SETTINGS. IT IS SIMPLY NOT TRUE THAT THE ENVIRONMENTAL CONCERNS RELATED TO OFFSHORE DEVELOPMENT HAVE BEEN, AND WILL CONTINUE TO BE, MITIGATED BY THE DEPARTMENT OF INTERIOR AND THE OIL INDUSTRY.

WHEN WE SEE AN OIL RIG OFF OUR COAST, WE SEE NOT ONLY THE STRUCTURE ITSELF BUT THE POTENTIALLY DEVESTATING ENVIRONMENTAL IMPACTS WHICH THAT RIG REPRESENTS. WE SEE THE CONTINUED THREAT OF AN OIL SPILL. WE SEE THOUSANDS OF TONS OF POLLUTANTS BEING PUMPED INTO THE

AIR. WE SEE FISHING GROUNDS POLLUTED AND FISHERMEN EXCLUDED FROM HISTORIC FISHING AREAS. WE SEE SCENIC ONSHORE AREAS BEING INDUSTRIALIZED TO PROVIDE ONSHORE SUPPORT FACILITIES. WE SEE ONSHORE INFRASTRUCTURES WHICH WERE BUILT TO ACCOMODATE TOURISTS BEING OVERBURDENED WITH HEAVY INDUSTRIAL DEVELOPMENT. HUNDREDS OF CALIFORNIANS - HOTEL AND RESTAURANT WORKERS, ENVIRONMENTALISTS, FISHERMEN, LOCAL AND STATE GOVERNMENT OFFICIALS AND CONCERNED CITIZENS - HAVE EXPRESSED THESE CONCERNS, AND THE FACTS UPON WHICH THESE CONCERNS ARE BASED, TO THE INTERIOR DEPARTMENT. IT IS DISCOURAGING FOR THE DEPARTMENT NOW TO CONCLUDE THAT OUR CONCERNS ARE GROUNDLESS, AND THAT THE ONLY THING TO WORRY ABOUT IS THE VIEW.

THE THREAT OF A SPILL- FROM THE MEXICAN BORDER TO THE OREGON BORDER, THE COAST OF CALIFORNIA IS CHARACTERIZED BY AREAS OF HIGH SENSITIVITY TO THE ADVERSE IMPACTS OF A MAJOR OIL SPILL, THESE INCLUDE: EXPOSED ESTUARIES, LAGOONS AND BAYS WHICH FURNISH IMPORTANT NURSERY AND FOODSOURCE AREAS FOR MARINE ECOSYSTEMS; EXTENSIVE ROCKY INTERTIDAL ZONES WHICH SUPPORT UNIQUE AND PROLIFIC ECOSYSTEMS; FREESTANDING NEARSHORE ROCKS WHICH PROVIDE THE PROTECTED HABITAT NEEDED FOR SEABIRD BREEDING COLONIES; NATIONALLY AND STATE DESIGNATED ECOLOGICAL PRESERVES AND AREAS OF SPECIAL BIOLOGICAL SIGNIFICANCE; AND BREEDING GROUNDS FOR OIL-SPILL SENSITIVE SPECIES SUCH AS THE CALIFORNIA SEA OTTER, WHOSE EXTREMELY LIMITED POPULATION EXISTS ONLY IN A SINGLE GEOGRAPHIC AREA.

THE ASSERTION THAT THERE IS NO BASIS FOR CONCERN OVER THE THREAT OF OIL SPILLS IS INCORRECT. ACCORDING TO SPILL DATA COMPILED BY MMS, THERE HAVE BEEN 16 MAJOR SPILLS (DOI CHARACTERIZES SPILLS INVOLVING 1,000 BARRELS OR MORE AS MAJOR) ON THE U.S. OCS SINCE 1969.

DOI FIGURES INDICATE THAT WE CAN EXPECT APPROXIMATELY 6 MAJOR OIL SPILLS TO OCCUR AS A RESULT OF DRILLING ACTIVITIES IN CALIFORNIA WATERS OF THE OCS, OF WHICH 2-3 WILL BE POTENTIALLY CATASTROPHIC (GREATER THAN 10,000 BARRELS). (DOI'S SPILL RATE IS 2.6 SPILLS OF 1,000 BARRELS OR MORE PER BILLION BARRELS OF OIL PRODUCED AND 1.11 SPILLS OF 10,000 BARRELS OR MORE PER BILLION BARRELS PRODUCED - ASSUMING CONSERVATIVELY THAT ALL OIL IS TRANSPORTED BY PIPELINES RATHER THAN TANKERS.)

WHILE THE EXTREMELY TOXIC PETROLEUM HYDROCARBONS FROM A SPILL MAY DISPERSE RAPIDLY IN HIGH ENERGY ENVIRONMENTS, THE ADVERSE EFFECTS OF OIL SPILLED IN SHELTERED LAGOONS AND ESTUARIES MAY PERSIST FOR DECADES. STUDIES SHOW THAT ONE EFFECT OF A SPILL IN A MARINE NURSERY SYSTEM WOULD BE SERIOUS DAMAGE TO COMMERCIAL FISHERIES.

ROCKY INTERTIDAL AREAS, SUCH AS THOSE WHICH PREVAIL OVER A LARGE PORTION OF THE CALIFORNIA COAST ALSO HAVE A LONG RESIDENCE TIME FOR SPILLED OIL. BIOLOGICAL IMPACTS ON THE ORDER OF 10 YEARS OR MORE HAVE BEEN DOCUMENTED IN CALIFORNIA ROCKY INTERTIDAL AREAS EXPOSED TO OILSPILLS. EVEN WITHOUT A SPILL, THE CHRONIC DAMAGES CAUSED BY THE DISCHARGE OF LARGE AMOUNTS OF TOXIC DRILLING FLUIDS (2,000 TONS AVERAGE FOR EXPLORATORY WELLS) POSE A SERIOUS THREAT TO THE SURROUNDING ENVIRONMENT, ESPECIALLY IN AREAS WHERE RAPID DEVELOPMENT IS TAKING PLACE.

FINALLY, THE EXPERIENCES WITH THE TANKER "PUERTO RICAN" AND A LARGE SPILL ALONG THE COAST OF SAN MATEO, SANTA CRUZ AND MONTEREY COUNTIES IN FEBRUARY INDICATE THAT NEITHER THE OIL INDUSTRY NOR THE U.S. GOVERNMENT HAS THE ABILITY OR THE TECHNOLOGY TO DEAL WITH OIL SPILLS ONCE THEY HAVE OCCURED. AT-SEA OILSPILL CLEANUP IN ROUGH SEA CONDITIONS SUCH AS THOSE PREVAILING OFFSHORE CALIFORNIA HAS PROVEN TO

BE INEFFECTIVE. REMEMBER THAT THE DEVELOPMENT OF AREAS INCLUDED IN THE NEW FIVE-YEAR PLAN, ESPECIALLY THOSE IN NORTHERN CALFORNIA WHERE THERE IS NO COASTAL ACCESS BY ROAD, WILL NECESSITATE AN INCREASED RATE OF NEAR-SHORE TANKER ACTIVITY OFF THE COAST. THERE IS NO EVIDENCE THAT SPILL DETECTION DEVICES, OR SPILL TRAJECTORY MODELS WORK. THE CALIFORNIA COASTAL COMMISSION STAFF HAS ASKED INTERIOR TO PROVIDE SPECIFICS ON THE TECHNOLOGIES AVAILABLE TO DETECT SPILLS EARLY - DOI HAS BEEN UNABLE TO PROVIDE ANY SPECIFICS.

COASTAL TOURISM - THE THREAT TO THE TOURISM INDUSTRY WOULD COME FROM; 1) DAMAGE TO THE VIEW SHED, PARTICULARLY IN AREAS OF PRISTINE BEAUTY WHERE THE COASTAL SCENERY IS THE PRINCIPLE TOURIST DRAW AND AREAS OF HIGH RECREATIONAL BEACH USE; 2) OBVIOUS IMPACTS OF AN OIL SPILL ON RECREATIONAL AND OTHER TOURIST USES OF THE COAST AND; 3) THE INDUSTRIALIZATION OF COASTAL AREAS WHICH WOULD ACCOMPANY OCS DEVELOPMENT.

IT MUST BE NOTED THAT THE HISTORY OF TOURISM IN MOST MORATORIA AREAS IS ENTIRELY DIFFERENT THAN EITHER SANTA BARBARA OR THE GULF COAST, EACH OF WHICH HAS A LONG TRADITION OF OCS DEVELOPMENT. IN MANY AREAS OF NORTHERN CALIFORNIA, NARROW, WINDING HWY 1 IS THE ONLY COASTAL ACCESS AVAILABLE. THE CALIFORNIA COASTAL ACT REQUIRES THAT LONG STRETCHES OF HWY 1 REMAIN A 2 LANE, "SCENIC HIGHWAY." WIDENING THE ROAD IS NOT AN OPTION. THE COASTAL COMMISSION HAS CONSISTENTLY DENIED PERMISSION FOR HOUSING OR TOURIST RELATED DEVELOPMENT ALONG THE HIGHWAY. THE ROAD, WHICH IS ALREADY NEAR CAPACITY IN THE SUMMER MONTHS, WOULD BE SERIOUSLY OVER-BURDENED BY THE INDUSTRIALIZATION OF THE SMALL PORT CITIES ALONG THE COAST (MENDICINO, FORT BRAGG, EUREKA). AT THE VERY LEAST, CREW AND SUPPLY BASES WOULD BE REQUIRED IF THESE AREAS WERE OPENED TO OCS DEVELOPMENT, AND LOCAL COMMUNITIES AS WELL AS

COASTAL DEPENDENT TOURISM WOULD BE HEAVILY IMPACTED. HOW WOULD DOI MITIGATE THIS IMPACT?

COMMERCIAL FISHING- CALIFORNIA'S HISTORIC FISHING GROUNDS SUPPORT A $1.25 BILLION PER YEAR COMMERCIAL FISHING INDUSTRY, AS WELL AS A $.5 BILLION PER YEAR RECREATIONAL FISHING INDUSTRY, BOTH OF WHICH ARE THREATED BY OCS DEVELOPMENT. AGAIN, THE DEPARTMENT DISMISSES THE CONCERNS OF FISHERMEN AS INCONSEQUENTIAL. SMALL ROUTINE OILSPILLS, DAY-TO-DAY DISCHARGE OF DRILLING MUDS AND CUTTINGS, DEBRIS DUMPED FROM RIGS AND DISTURBANCE OF THE SEAFLOOR BY ANCHORING SYSTEMS ALREADY HAMPER THE FISHING INDUSTRY IN THE SANTA BARBARA AREA. IN THE SANTA BARBARA CHANNEL IT IS ESTIMATED BY FISHERMEN THAT OVER 40% OF THE TRAWL GROUNDS HAVE BEEN LOST.

IN AREAS OF INTENSE DEVELOPMENT, THERE IS A SERIOUS POSSIBILITY OF FISHERMEN BEING EXCLUDED ENTIRELY FROM TRADITIONAL FISHING GROUNDS. SEVERAL CERTIFIED ENVIRONMENTAL IMPACT STUDIES CARRIED OUT IN THE POINT ARGUELO UNIT OF THE SANTA MARIA BASIN DOCUMENT "SIGNIFICANT DISPLACEMENT" OF TRAPPING, TRAWLING, GILL NETTING, PURSE SEINING AND TROLLING FISHERMEN FROM HIGH YIELD FISHING GROUNDS. DURING THE CONSTRUCTION PHASE OF 2 PLATFORMS IN THE AREA, 60% OF THE AREA AVAILABLE TO SET GEAR FISHERMEN WAS PLACED OFF-LIMITS. THE STUDIES DOCUMENT BOTH SIGNIFICANT TEMPORARY AND PERMANENT DISPLACEMENT OF THESE FISHERMEN.

FISHERMEN MUST MAINTAIN AT LEAST A MILE WIDE BERTH AROUND RIGS SO THAT THEIR NETS, WHICH ARE COMPLETELY AT THE MERCY OF THE CURRENTS, DO NOT BECOME ENTANGLED IN THE RIGS. PROTECTION OF BIOLGICALLY RICH INTERTIDAL ESTUARIES AND BAYS, WHICH ARE THE FOODSOURCE AND NURSERY HABITATS FOR COMMERCIAL FISH SPECIES, IS CRITICAL TO PROTECTION AND ENHANCEMENT OF THE FISHING INDUSTRY.

A RECENT ENVIRONMENTAL IMPACT STUDY CONDUCTED BY AN INDEPENDENT CONSULTING FIRM FOR MMS, SANTA BARBARA COUNTY, THE STATE LANDS COMMISSION, THE COASTAL COMMISSION, AND THE CALIFORNIA OFFICE ON OCS MANAGEMENT, ON FURTHER OCS DEVELOPMENT OFF SANTA BARBARA COUNTY CONCLUDED THAT THERE WOULD BE "SIGNIFICANT, UNMITIGATIBLE IMPACTS" ON FISHERIES, AND ON-SHORE AIR QUALITY AND THAT THERE WOULD BE QUANTIFIABLE BIOLOGICAL DAMAGE TO THE MARINE ECOSYSTEM.

AIR QUALITY IMPACTS - LARGE AREAS OF CALIFORNIA COASTLINE ARE DIRECTLY ADJACENT TO ONSHORE AREAS WHICH ARE EITHER IN A STATUS OF NON-ATTAINMENT, OR MARGINAL ATTAINMENT WITH CLEAN AIR ACT STANDARDS. THE IMPACT OF OCS ACTIVITY ON ONSHORE AIR QUALITY WOULD BE SIGNIFICANT (EMISSIONS OF NOX CAN APPROACH ONE TON PER DAY FROM A SINGLE DRILLING SITE). IN FACT, OVER THE PAST FIVE YEARS, THE TWO MAIN ELEMENTS OF PHOTOCHEMICAL SMOG ASSOCIATED WITH OFFSHORE DEVELOPMENT, NITROUS OXIDES AND REACTIVE HYDROCARBONS, HAVE INCREASED BY 50 PERCENT AND 30 PERCENT RESPECTIVELY, OVER THE LEVELS CONSISTENT WITH SANTA BARBARA'S AIR QUALITY ATTAINMENT PLAN. INDUSTRIAL DEVELOPMENT MAY HAVE TO BE CURTAILED IN THESE AREAS IN ORDER TO ACCOMODATE AN INCREASE IN OCS ACTIVITY, AT A COST OF LOCAL JOBS WHICH COULD BE PROVIDED BY NEW ONSHORE INDUSTRY.

DOI HAS NOT YET SUCCEEDED IN COMING TO ANY AGREEMENT WITH ANY LOCAL GOVERNMENT IN THIS REGARD, AND IN FACT IS NO WHERE NEAR A RESOLUTION OF THIS PROBLEM. AFTER SIX YEARS OF CONFLICT OVER THIS ISSUE, THE DEPARTMENT RECENTLY ANNOUNCED THAT IT HAD AGREED TO NEGOTIATE WITH STATE AND LOCAL OFFICIALS OVER THIS ISSUE. THIS ANNOUNCEMENT OFFERS MORE OF AN INDICATION OF INTERIOR'S INTRANSIGENCE THAN HOPE OF A RESOLUTION. INTERIOR'S RECENT "ADVANCED NOTICE OF PROPOSED RULEMAKING" COMES NOWHERE NEAR SOLVING CALIFORNIA'S CONCERNS OVER

PROTECTING ONSHORE AIR QUALITY FROM OCS IMPACTS.

RECOMMENDATIONS INCLUDED IN THE RECENT EIR DONE ON PLATFORM HERMOSA TO MITIGATE AIR QUALTIY IMPACTS WERE NOT INCLUDED IN THE FINAL STIPULATIONS BY MMS (THE CCC IS UNAWARE OF ANY JUSTIFICATION HAVING BEEN GIVEN BY MMS - THESE STIPULATIONS CAN BE VERY EXPENSIVE, FOR INSTANCE IT WOULD COST A COMPANY BETWEEN $1.60 AND $2.00 PER POUND OF NOX EMITTED TO BRING A PLATFORM, DRILL RIG OR DRILL SHIP INTO LINE WITH CALIFORNIA ONSHORE EMISSION STANDARDS.) ON PLATFORMS IRENE AND SHAMROCK, THE EPA FOUND THE STIPULATIONS "ENVIRONMENTALLY UNACCEPTABLE," BECAUSE INADEQUATE AIR QUALITY ANALYSIS WAS PERFORMED TO DETERMINE THE NECESSITY OF PHASING OUT OF FURTHER OFF-SHORE DEVELOPMENT.

A SIGNIFICANT ADVERSE ONSHORE AIR QUALITY IMPACT IS INDICATED ON THE BASIS OF EACH OF THREE STUDIES DONE BY THE STATE AIR RESOURCES BOARD. IN DISCUSSING THE AREAS OF HIGH INDUSTRY INTEREST IN SOUTHERN AND CENTRAL CALIFORNIA PARTICULARLY, DOI WILL HAVE TO BE ABLE TO SHOW THAT THEY CAN EFFECTIVELY MITIGATE THIS SERIOUS CONCERN. AT THIS POINT, THE EVIDENCE DOES NOT SUGGEST THAT THE DEPARTMENT HAS BEEN EITHER WILLING OR ABLE TO EFFECTIVELY MITIGATE THE SIGNIFICANT ADVERSE IMPACTS OF OCS DEVELOPMENT ON ONSHORE AIR QUALITY.

THE STATE OF CALIFORNIA HAS A LAWSUIT PENDING, WHICH IS NOW IN A SETTLEMENT PROCESS, CHALLENGING THE LAXITY OF THE DEPARTMENT OF INTERIOR'S OFFSHORE AIR QUALITY REGULATIONS. IN THE EXPERINCE OF LOCAL GOVERNMENT OFFICIALS, THERE IS LITTLE HOPE THE DOI WILL MAKE MEANINGFUL REFORMS IN ITS AIR QUALITY REGULATIONS. OIL INDUSTRY OPPOSITION TO ANY CHANGES IS FIERCE. LOCAL AGENCIES ARE HELD ACCOUNTABLE FOR ALL POLLUTION IN THEIR AIR BASINS - REGARDLESS OF WHERE IT ORIGINATES. THEY ARE MANDATED BY EPA, UNDER FEDERAL LAW, TO KEEP THE AIR CLEAN. BUT THEY ARE NOT GIVEN ANY AUTHORITY TO REDUCE POLLUTANTS

EMANATING FROM OIL PLATFORMS IN FEDERAL WATERS.

THE STATE AND LOCAL ROLE

THE FACT IS THAT THE DEPARTMENT OF INTERIOR AND THE OIL INDUSTRY HAVE BECOME FINANCIAL AND IDEOLOGICAL PARTNERS WITH RESPECT TO LEASING AND DEVELOPING THE OCS. THUS THE AGENCY CHARGED WITH THE RESPONSIBILITY FOR PROTECTING THE PUBLIC INTEREST WITH REGARD TO OCS MANAGEMENT IS SEEN BY LOCAL COMMUNITIES AND GOVERNMENTS AS AN ADVERSARY RATHER THAN A PARTNER IN THE PROCESS. FOR ITS PART, THE ADMINISTRATION HAS RESISTED EVERY EFFORT DESIGNED TO PROVIE A MEANINGFUL ROLE FOR LOCAL AND STATE GOVERNMENTS, AND WOULD PREFER TO DO AS LITTLE AS POSSIBLE IN TERMS OF ENVIRONMENTAL PROTECTION. THE BETTER THE ENVIRONMENTAL PROTECTION TECHNOLOGIES, THE MORE EXPENSIVE THEY TEND TO BE.

THE ADMINISTRATION HAS STRONGLY OPPOSED CONGRESSIONAL EFFORTS TO MAINTAIN THE PARTNERSHIP BETWEEN FEDERAL AND STATE AGENCIES INVOLVED IN MANAGING OCS DEVELOPMENT. CLEARLY, THE IMPACTS OF DEVELOPMENT DO NOT STOP AT A LINE DRAWN ARBITRARILY THREE MILES FROM SHORE. OBVIOUSLY, FEDERAL ACTIVITY (i.e. A LEASE SALE OR OIL EXPLORATION) DOES NOT HAVE TO TAKE PLACE WITHIN THE COASTAL ZONE TO HAVE A DIRECT EFFECT ON IT. THE IMPORTANT ISSUE IS NOT THE GEOGRAPHIC LOCATION OF THE ACTIVITY PER SE, BUT THE NATURE OF ITS SUBSEQUENT IMPACT ON THE COASTAL ZONE. UNTIL RECENTLY, THE LAW ASSURED THE COASTAL STATES A MEANINGFUL ROLE IN THE PROCESS OF REGULATING THESE ACTIVITIES.

UNFORTUNATELY, THE EFFORTS OF THE ADMINISTRATION IN CONJUNCTION WITH A SERIOUS OF DETRIMENTAL COURT DECISIONS HAVE JEOPARDIZED THE WORKING PARTNERSHIP BETWEEN THE COASTAL STATES AND THE FEDERAL GOVERNMENT ESTABLISHED BY THE CONGRESS WITH PASSAGE OF THE COASTAL ZONE MANAGEMENT ACT AND THE OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS.

RECENTLY, THE ADMINISTRATION WAS SUCCESSFUL IN ITS EFFORTS TO DEFEAT PASSAGE OF LEGISLATION WHICH WOULD HAVE CLARIFIED THE ROLE OF STATE GOVERNMENTS IN THE OCS DECISION-MAKING PROCESS. THE AMENDMENT WOULD HAVE REQUIRED THE SECRETARY OF INTERIOR TO EQUALLY WEIGH THE NEED FOR OIL AND GAS DEVELOPMENT WITH THE NEED TO PROTECT LIVING MARINE RESOURCES AND OTHER COASTAL AND MARINE RESOURCE USES.

INTERIOR HAS REFUSED TO MEET IN PRACTICE THE CONGRESSIONAL INTENT THAT THE STATES SHOULD HAVE A MEANINGFUL ROLE IN THE PROCESS. THERE HAS BEEN A HISTORY OF INEFFECTIVE CONSULTATION BETWEEN DOI AND THE STATES. INADEQUATE STANDARDS OF REVIEW HAVE ALLOWED THE SECRETARY TO ROUTINELY AND CAVALIERLY REJECT REASONABLE STATE CONCERNS. THE INABILITY OF STATES TO SATISFY THEIR CONCERNS UNDER CURRENT LAW HAS LED, IN PART, TO MUCH OF THE CONFLICT WHICH HAS CHARACTERIZED THE ADMINISTRATION'S LEASING PROGRAM. THIS INABILITY HAS LED TO LITIGATION AND CONGRESSIONAL INTERVENTION IN THE FORM OF LEASING MORATORIA.

CONCLUSIONS

THE ASSUMPTIONS MADE BY THOSE OPPOSED TO THE MORATORIA AND TO A MORE BALANCED PLAN FOR OFFSHORE DEVELOPMENT ARE FUNDAMENTALLY INCORRECT. IT IS CLEAR THAT THE OIL AND GAS RESERVES OFFSHORE CALIFORNIA DO NOT REPRESENT AMERICA'S BEST HOPE FOR ENERGY INDEPENDENCE. IT IS ALSO CLEAR THAT UNLIMITED OFFSHORE DEVELOPMENT POSES A SERIOUS THREAT TO THE MARINE AND COASTAL ENVIRONMENTS. FINALLY, FEDERAL REGULATION WITHOUT MEANINGFUL STATE AND LOCAL PARTICIPATION IS INADEQUATE TO DEAL WITH THE ENVIRONMENTAL AND ECONOMIC IMPACTS FACING COASTAL COMMUNITIES.

THE ULTIMATE RESPONSIBILITY OF BOTH THE ADMINISTRATION AND THE CONGRESS IS TO BE GOOD STEWARDS OF OUR NATURAL RESOURCES. GOOD

STEWARDSHIP MEANS DEVELOPING WHAT SHOULD BE DEVELOPED BUT ALSO PROTECTING WHAT SHOULD BE PROTECTED. IF THE ADMINISTRATION FAILS TO MEET THIS RESPONSIBILITY, CONGRESS HAS THE DUTY AND THE OBLIGATION TO ACT. THAT HAS BEEN AND WOULD CONTINUE TO BE THE PURPOSE OF CONGRESSIONAL LEASING MORATORIA PROTECTING OUR COASTLINE AND PROVIDING AN INCENTIVE FOR MEANINGFUL NEGOTIATIONS.

I HAVE ATTEMPTED TO OUTLINE WHAT I BELIEVE ARE THE MOST IMPORTANT REASONS FOR REINSTATING LEASING RESTRICTIONS INTO FY 1987. WE NEED TO REENACT THE MORATORIUM BECAUSE WE FACE AN OCS LEASING PROGRAM WHICH STILL FAILS TO PROVIDE ADEQUATE PROTECTION TO CERTAIN MARINE ARES WHICH ARE ESPECIALLY SENSITIVE TO THE ENVIRONMENTAL AND ECONOMIC IMPACTS OF OFFSHORE DEVELOPMENT. MOST IMPORTANTLY, REENACTMENT OF THE MORATORIUM WILL HELP TO ENSURE THAT THE CURRENT NEGOTIATIONS WILL PRODUCE AN AGREEMENT ACCEPTABLE TO ALL THE PARTIES INVOLVED. FRANKLY, WITHOUT THE MORATORIUM, THE DEPARTMENT WILL HAVE LITTLE INCENTIVE TO REACH AN AGREEMENT WITH US AND WITH OUR STATE.

BIG SUR AREA MULTI-AGENCY HEADQUARTERS

THE MAGNIFICENT BIG SUR COAST IS UNDER PRESSURE FROM SHARPLY RISING POPULATION GROWTH AND EXPANDING DEVELOPMENT. ONE OF THE PROBLEMS IMPEDING THE PRESERVATION OF THIS SPECTACULAR COASTLINE HAS BEEN THE INEFFICIENCY CAUSED BY OVERLAPPING JURISDICTIONS WITHIN THE AREA. THERE ARE FIVE PRINCIPLE AGENCIES INVOLVED IN MANAGING THIS AREA, THE U.S. FOREST SERVICE, THE CALIFORNIA DEPARTMENT OF PARKS AND RECREATION, MONTEREY COUNTY, THE CALIFORNIA DEPARTMENT OF TRANSPORTATION AND THE CALIFORNIA COASTAL COMMISSION. I HAVE BEEN MEETING WITH OFFICIALS OF THESE AGENCIES ON A REGULAR BASIS FOR SEVERAL YEARS, IN ORDER TO ENCOURAGE IMPROVED COORDINATION OF THE EFFORTS INVOLVED IN MANAGING THE REGION. I HAVE BEEN PLEASED BY THE PROGRESS MADE BY THIS AD-HOC COMMITTEE AND WISH TO DO EVERYTHING I CAN TO ENCOURAGE AN ONGOING SPIRIT OF COOPERATION.

I BELIEVE THAT THE IMPROVED COORDINATION OF THESE AGENCIES HAS BEEN INSTRUMENTAL IN THE DEVELOPMENT AND ADOPTION OF A LOCAL COASTAL PLAN WHICH GOES A LONG WAY TOWARDS ESTABLISHING THE KIND OF PROTECTION BIG SUR REQUIRES. OVER THE PAST TWO YEARS, THE AGENCIES HAVE BEEN INVOLVED IN PLANNING A "MULTI-AGENCY" HEADQUARTERS BUILDING TO BE CONSTRUCTED IN THE BIG SUR AREA. THE COORDINATION WHICH THE CONSTRUCTION OF THIS MULTI-AGENCY FACILITY WOULD ENGENDER COULD BE CRITICAL TO THE SUCCESS OF THE LOCAL COASTAL PLAN AND THE LAND USE PLAN FOR BIG SUR.

THE STATE AND COUNTY AGENCIES HAVE REQUESTED AND RECEIVED FUNDING FOR THEIR SHARES OF CONSTRUCTION COSTS. I AM HOPEFUL THAT THIS SUBCOMMITTEE WILL FAVORABLY CONSIDER THE APPROPRIATION OF $100,000 FOR THE FOREST SERVICE SHARE OF DESIGN COSTS TO BE INCURRED IN FISCAL YEAR 1987. THE FACILITY WOULD INCLUDE HOUSING, STORAGE AND STOCK AREAS, AN INFORMATIONAL OFFICE FOR TOURISTS AND OFFICES FOR THE AGENCIES. I FEEL THAT THE APPROPRIATION OF THESE FUNDS WILL BE INSTRUMENTAL TO THE PROTECTION OF AN AREA WHICH IS TRULY A NATIONAL TREASURE.

ACQUSITION OF THE POST PROPERTY.

THE POST PROPERTY IN THE BIG SUR COMMANDS A SWEEPING SCENIC VISTA HIGH ABOVE THE PACIFIC AND CONTROLS ACCESS TO ONE OF THE MOST IMPORTANT PUBLIC TRAILHEADS IN THE REGION. UNFORTUNATELY, THE OWNER OF THE 500 ACRE PARCEL IS UNDER PRESSURE TO SELL THE LAND, AND WHILE HE WOULD PREFER THAT THE LAND BE ACQUIRED BY THE FOREST SERVICE, THE SERVICE IS UNABLE TO SECURE THE $1,000,000 REQUIRED FOR PURCHASE. AS A RESULT, THE OWNER HAS NOW COMPLETED ESCROW ON ADJACENT PARCELS FOR RESIDENTIAL DEVELOPMENT AND THE SUBJECT PARCEL IS BEING MARKETED AS A "VIEW SITE" CURRENTLY.

IN ADDITION TO STRUCTURAL DEVELOPMENT, THE TIMBER RESOURCES ON THE PROPERTY (COMMERCIAL GRADE REDWOOD) ARE READILY AVAILABLE FOR HARVEST AS A RESULT OF 1983 CHANGES IN CALIFORNIA LOGGING LAWS. THE FOREST SERVICE HAS AN OPPORTUNITY TO ACQUIRE A HIGH PRIORITY TRACT WITHIN AND ADJACENT TO THE VENTANA WILDERNESS; THIS BEAUTIFUL RIDGETOP PROPERTY OF PREDOMINANTLY OAK GRASSLANDS PROVIDES ACCESS TO THE WILDERNESS AND AN OPEN, SWEEPING VIEW OF THE COAST. THE LANDOWNER IS A WILLING SELLER, BUT FUNDS MUST BE MADE AVAILABLE TO THE FOREST SERVICE IN THE NEAR FUTURE IF THE LAND IS TO BE PRESERVED AND PROTECTED. I WOULD REQUEST THAT THE SUBCOMMITTEE APPROPRIATE THE $1 MILLION NECESSARY TO ACQUIRE THIS THREATENED AND VALUABLE PROPERTY.

THANK YOU VERY MUCH FOR CONSIDERING MY VIEWS.

# # # #

Mrs. BOXER. Thank you. I will be very brief. Sid Yates has trained me well. It is nice to be here with you. I have two points I want to make, one involving very important parks in my area that the late Phil Burton was instrumental in forming, the Golden Gate Recreation Area, and Point Reyes National Seashore. These areas are under tremendous development pressure. Some of the owners have been waiting to sell their land for over a decade. We are now, in a particular instance the Martinelli property, in a serious situation where a developer has made an offer on the property and an offer has been accepted, 250 acres they really serve as the linchpin.

I will submit this for the record, but we are in some desperate straits right here.

Mr. MURTHA. How much money are you talking about?

Mrs. BOXER. What we are asking for is $4.5 million. I will get the exact amount for you.

On the question of the moratorium, let me say how important I think it will be to have that as a backup, to have it as some leverage on the administration to show them that this Congress is serious about reaching an agreement. I don't feel optimistic about what has gone on so far except we have had some wonderful members of Congress, such as Mr. Fields, that have been very kind. They come to all these meetings.

I find the administration unfortunately to be a bit hostile. If it wasn't for the good offices of Mr. Regula, I think it would be a worse situation. We are very grateful for his presence. We need to have that moratorium as leverage. The administration is pushing ahead despite the fact we are supposed to be negotiating, and we would hope you would have an open mind when that comes before you.

[The statement of Barbara Boxer follows:]

12:40

TESTIMONY OF CONGRESSWOMAN BARBARA BOXER
BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR
APRIL 17, 1986

Mr. Chairman and members of the subcommittee, I thank you for the opportunity to appear before you today.

National Park land acquisition is an important investment in our nation's future. However, in the last six years, this program has already been cut by nearly 70% and the Reagan Administration has proposed to virtually eliminate funding for any 1987 land acquisition. The President's budget provides $15 million for acquisition management only, and proposes no new land purchases. In addition, the Administration proposes to cut the number of realty full time employees by 32, decimating the realty division of the Park Service which implements the agency's land acquisition program. If we stop reinvesting funds in public lands, as was contemplated by Congress when it established the Land and Water Conservation Fund, we will lose the opportunity to preserve our nations spectacular lands for future generations.

The Land and Water Conservation Fund exists for the sole purpose of acquiring public lands---lands recaptured for the long term public benefit. Revenues flow into this fund at a rate, currently of about $900,000/year. By the end of FY 1986, the Interior Department estimates that there will be close to $4.4 Billion in unappropriated dollars in the fund.

WE ARE TALKING ABOUT $4.4 BILLION DOLLARS JUST WAITING TO BE APPROPRIATED BY CONGRESS FOR THE PURPOSE OF INVESTING IN AMERICA'S

FUTURE.....INVESTING IN OUR NATIONAL PARK SYSTEM!

This year is no different as far as developmental pressures encroaching on the two national parks in my Congressional district. Land acquisition which could positively contribute to the Golden Gate Recreational Area and Point Reyes National Seashore has been delayed due to lack of funds. The continued delays will only result in an escalation of the purchase price in the midst of immediate threats of development.

A perfect example of this developmental threat focuses on the Martinelli Property within the Tomales Bay area. Many of the initial land owners in this area are in their 70's and 80's and now considering selling their property to insure some income security. Since these lands do in fact border GGNRA and Pt. Reyes, it is important to stress that development will be ongoing directly next to national public lands. In the case of the Martinelli Property, local people have fought long and hard since the early 70's to keep development from encroaching, through enforcement of local zoning and planning ordinances. The Martinelli's have been waiting for government acqusition for over a decade!

Now, time is running out, a developer has made an offer on the property, an offer which has been accepted. These 250 acres serve as the linchpin to all of the Tomales Bayshore, by holding together the other properties of the Bay complex. If the Park Service fails this time to make an offer on this land, it could trigger sales of land to developers all along the border of the GGNRA and the preservation of the park will be in jeopardy.

I support the recommendations of the "Conservation Alternative", advanced by major national environmental groups, that Congress appropriate $376.7 million for the federal share of the Land and Water Conservation Fund. Approximately $132 million of that will be attributed to the National Park Service. From this total I request that $4.5 million go to GGNRA for land acquisition which includes monies to acquire the Martinelli Property and others on the priority list, while another $2.5 million go to Pt. Reyes for similar land acquisition.

The other major issue, Mr. Chairman which I would like to speak to today is the OCS leasing moratorium.

As you know, the Secretary of the Interior has made a decision to move ahead with the new Five Year Leasing Program for 1987-1991 in the midst of the ongoing negotiations with the appointed Congressional negotiating team. I believe that the Secretary's actions are no more a breech of "good faith" during negotiations, than the motion by Members here before this subcommittee, asking for a reinstatement of an OCS moratorium.

Secretary Hodel continues to argue that the Continuing Resolution for FY 1986 requires that "during the negotiations, the Department of the Interior proceed with preliminary sales steps, including a Call For Information and Nominations for OCS lease sales in Southern, Central, and Northern California." What he fails to note, is that the same Resolution states, "If after a reasonable period there is no agreement between the parties, Congress may reconsider the matter." The matter I am asking you to reconsider is the MORATORIUM! Both sides of the negotiation process have been aware all along that the question of an OCS moratorium would be raised again.

As for the Proposed Plan, I make no bones about the aspects I disagree with. This draft plan attacks the California coast and affords protection only to those areas that are either off limits due to existing law or have no appreciable oil and therefore support no industry interest anyway.

Secretary Hodel maintains that we need to develop California's coast because our nation's security demands it. If the current Administration is so serious about the energy security of the nation why are they selling off our Naval Strategic Petroleum Reserves and not filling any of the reserves? And, why are they fighting every energy conservation bill in sight? One look at the present energy policy, and I say SO MUCH FOR THE ENERGY-SECURITY ARGUMENT AS A REASON TO EXPLOIT THE CALIFORNIA COAST!

Secretary Hodel has announced that he feels coastal protection in California is promoted by a relatively small group of wealthy constituents. The truth of the matter is, the opposition to coastal exploitation comes from Californians of all regions and economic groups. I think this fact was made evident by the turn out during both the state sponsored and Interior Department sponsored public hearings on the Proposed Five Year Plan. It is clear that the California majority feels betrayed by Secretary Hodel due to his backing out of the original agreement made last July, and they no longer trust the Department of the Interior to arrive at a balanced environmental and industry compromise.

Though I am hopeful that current ongoing negotiations will produce a reasonable agreement, I am not optimistic. Secretary Hodel's record is abysmal and disappointing when it comes to protecting our coast. I repeat, we cannot foreclose the option of a renewed California OCS moratorium because it puts the needed leverage on this Administration to only negotiate. In the end, the Congressional negotiating team will be in a better position to acheive a reasonable settlement. It is in the interest of all parties to avoid the protracted court battle which would surely follow if all protection is lifted.

Thank you for this opportunity to discuss matters which are of importance to me and the people of California.

Mr. MURTHA. We appreciate the work all three of you have done. Of course, Ralph has been in the forefront. It is a difficult issue for this committee because every year we think it is going to be solved. So I hope that you will——

Mr. REGULA. Would you agree we are really down to tracts we agree should not be drilled, some that everybody seems to agree should be, and there is a third group in dispute, and it is involving those——

Mr. PANETTA. I think you are right. We are basically down to three or four concepts. One protecting areas; some areas permanently, some areas where we need to explore the resource but try to perhaps limit development in those areas, other areas we can proceed with limited development.

The real challenge now is to identify those areas.

Mr. REGULA. That is right. I think there is a method whereby it doesn't become intensive.

Mr. MURTHA. Thank you very much.

THURSDAY, APRIL, 17, 1986.

INDIAN HEALTH CARE

WITNESS

HON. BILL RICHARDSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. MURTHA. Mr. Richardson, if you will be brief, we have to vote. Your entire testimony will appear in the record.

Mr. RICHARDSON. Thank you very much.

I just wish to submit my statement for the record and thank the committee for the help they have given me. I am going to rapidly list the projects I am requesting funding for, several that the committee funded last year but the Senate did not fund, the top priority being $2.8 million for Shiprock Hospital, and $1.2 million for the Navajo Indian alcoholism demonstration project.

I would hope the committee includes in legislation language that will prevent the BLM and the Forest Service from proceeding with their exchange, I am asking for $250,000 for El MalPais Wilderness Area, legislation that is moving through the Interior Committee. I am also asking for $500,000 for the IAIA, a number of other issues, which I know this committee will very seriously consider, and I ask for your support.

[The statement of Bill Richardson follows:]

TESTIMONY OF THE HONORABLE BILL RICHARDSON
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS
APRIL 17, 1986

MR CHAIRMAN, HONORABLE MEMBERS OF THIS COMMITTEE;

THANK YOU FOR THIS OPPORTUNITY TO TESTIFY IN FRONT OF YOUR COMMITTEE ON FY'87 INTERIOR APPROPRIATIONS. IN THESE TIMES OF DECREASING AVAILABILITY OF FEDERAL FUNDS, YOUR WORK IN THIS COMMITTEE PLAYS AN INCREASINGLY IMPORTANT ROLE IN ENSURING THAT THE NEEDS OF OUR COMMUNITIES ARE MET. I REALIZE THAT DECISIONS ON THE FUNDING OF PROJECTS ARE BECOMING MORE AND MORE DIFFICULT AS WE ARE ALL FACED WITH DECREASING NUMBERS OF DOLLARS WITH WHICH WE ARE TRYING TO MEET SEEMINGLY-INCREASING NEEDS. I HAVE, THEREFORE, MADE A CONCERTED EFFORT TO BRING TO YOUR ATTENTION PROJECTS IN THE THIRD CONGRESSIONAL DISTRICT OF NEW MEXICO WHICH ARE INDEED PRESSING.

DURING THE 99TH CONGRESS, I INTRODUCED H.R. 3684, THE EL MALPAIS NATIONAL MONUMENT BILL, TO CREATE A PERMANENT WILDERNESS AREA FOR ENVIRONMENTALLY SENSITIVE LANDS IN NEW MEXICO. HEARINGS HAVE ALREADY BEEN HELD ON THIS BILL, AND I EXPECT ACTION ON IT BEFORE THE CLOSE OF THE CURRENT SESSION. I WOULD LIKE TO REQUEST AN FY'87 LAND AND WATER CONSERVATION FUND APPROPRIATION OF $250,000 TO INITIATE THE ADMINISTRATIVE PROGRAM IN THE BILL, AND TO START STUDIES WHICH WOULD LEAD TO THE ESTABLISHMENT OF A NATIONAL MONUMENTS VISITORS CENTER, AND SUCH LAND EXCHANGES AS MAY BE NECESSARY.

I WOULD ALSO LIKE TO REQUEST YOUR ATTENTION TO A $50,000 APPROPRIATION FOR AN INSECT SUPPRESSION PROGRAM IN THE CARSON NATIONAL FOREST. LAST YEAR, NEW MEXICO RECEIVED $300,000 FOR THE FIRST OF A FIVE YEAR SUPPRESSION PROGRAM. THIS YEAR, FUNDING FOR THIS VITAL INSECT SUPPRESSION PROGRAM HAS BEEN PASSED OVER IN FY'87 BUDGET CONSIDERATIONS. A PROGRAM OF SUCCESSIVE APPLICATION IS NECESSARY IN ORDER TO ALLEVIATE THE SERIOUS PROBLEM OF INSECT INFESTATION IN THE CARSON NATIONAL FOREST.

MR. CHAIRMAN, I HAVE THE SAME CONCERNS I SHARED WITH THE COMMITTEE LAST YEAR OVER THE PROPOSED BUREAU OF LAND MANAGEMENT/FOREST SERVICE LAND EXCHANGE. I BELIEVE THE PROPOSAL NEEDS A FULL AIRING BEFORE THE CONGRESS BEFORE ANY FUNDS ARE DELETED OR APPROPRIATED TO CARRY OUT THE EXCHANGE. THIS IS A VERY IMPORTANT POLICY DECISION WHICH HAS A DIRECT IMPACT ON MY CONSTITUENTS.

SEVERAL OTHER WILDERNESS AREA REQUESTS I WOULD LIKE TO POINT OUT INCLUDE: LAND ACQUISITION FUNDS OF $50,000 FOR THE RIO GRANDE WILD AND SCENIC RIVER; $300,000 FOR THE SEVILLETA NATIONAL WILDLIFE REFUGE; $500,000 FOR THE GILA NATIONAL FOREST; $130,000 FOR THE SANTA FE NATIONAL FOREST; AND, $710,000 FOR THE CIBOLA NATIONAL FOREST.

ONE OF THE MOST PRESSING NEEDS IN MY DISTRICT IS THE SHIPROCK INDIAN HEALTH SERVICE HOSPITAL, WHICH REQUIRES $2.899 MILLION FOR PLANNING AND DESIGN MONIES FOR A NEW FACILITY. THE SHIPROCK FACILITY PROVIDES MEDICAL SERVICE FOR APPROXIMATELY 36,000 NAVAJOS. RIGHT NOW, ONE DOCTOR AT THE SHIPROCK HOSPITAL IS RESPONSIBLE FOR 2,000 PEOPLE, AS COMPARED TO A NATIONAL AVERAGE OF ONE DOCTOR PER 900 PEOPLE. LAST YEAR ALONE, THE SHIPROCK HOSPITAL HAD SOME 100,333 OUTPATIENT VISITS, AN INCREASE OF 35% OVER PREVIOUS YEARS.

THE NAVAJO NATION IS EXPERIENCING A BOOM IN ITS OVERALL BIRTH RATES, AND THE PROBLEMS AT THE SHIPROCK HOSPITAL ARE ONLY GOING TO GROW WORSE. RECENTLY, THE SHIPROCK HOSPITAL WAS MOVED INTO THE NUMBER ONE POSITION ON THE I.H.S. PRIORITY LIST OF UNFUNDED CONSTRUCTION PROJECTS -- THIS PROJECT DESPERATELY NEEDS FUNDING. PREVIOUS REQUESTS FOR PLANNING AND DESIGN MONIES FOR THE SHIPROCK HOSPITAL WERE $1.74 MILLION -- THE AMOUNT HAS RISEN TO $2.899 MILLION DUE TO A RECENT REASSESSMENT OF THE AREA'S NEEDS BY THE INDIAN HEALTH SERVICE. IN ORDER TO REALISTICALLY PLAN FOR FUTURE HEALTH CARE NEEDS, THE RATIONALE FOR THE CONSTRUCTION OF THIS HOSPITAL IS TO DESIGN A 75-BED FACILITY WHICH CAN ACCOMMODATE FUTURE EXPANSION TO 90 BEDS IF NEEDED BY THE YEAR 2000.

ANOTHER CRITICAL INDIAN HEALTH CARE NEED WHICH MUST NOT BE OVERLOOKED BY CONGRESS IS ENSURING THAT RESOURCES ARE AVAILABLE TO EFFECTIVELY PREVENT ALCOHOLISM ON RESERVATION COMMUNITIES. ALCOHOLISM HAS BEEN IDENTIFIED BY THE NAVAJO TRIBAL COUNCIL AS THE NUMBER ONE HEALTH AND SOCIAL PROBLEM OF THE NAVAJO NATION. AN ESTIMATED 44% OF THE NAVAJO PEOPLE ARE DIRECTLY OR INDIRECTLY AFFECTED BY ALCOHOLISM. FORTY-FIVE TO FIFTY PERCENT OF ADMISSIONS TO NAVAJO I.H.S. FACILITIES ARE ALCOHOL RELATED. I WOULD THEREFORE LIKE TO REQUEST A $1.2 MILLION APPROPRIATION FOR A THREE YEAR ALCOHOLISM REHABILITATION DEMONSTRATION PROGRAM FOR THE NAVAJO TRIBE. PREVENTING ALCOHOLISM WOULD SAVE MILLIONS OF DOLLARS ON HEALTH CARE NEEDS IN THE FUTURE.

AS MANY OF YOU MAY KNOW, DOMESTIC WATER AND SEWER FACILITIES ARE FREQUENTLY LACKING ON RURAL RESERVATION LANDS. PROVIDING BASIC SEWER AND DOMESTIC WATER FACILITIES IS ANOTHER WAY TO SAVE MONEY ON HEALTH CARE IN THE FUTURE. MANY OF THE HOMES AND SMALL COMMUNITIES IN THE EASTERN REGION OF THE NAVAJO RESERVATION ARE LACKING THESE BASIC AMENITIES WHICH WE SO OFTEN TAKE FOR GRANTED. APPROPRIATIONS FOR THE INDIAN HEALTH SERVICE, EARMARKED FOR THE DEVELOPMENT OF THESE FACILITIES IN THESE LOCAL COMMUNITIES WOULD GREATLY UPGRADE THE QUALITY OF LIFE FOR A GREAT NUMBER OF INDIAN PEOPLE:

WHITEHORSE LAKE CHAPTER -- $1.275 MILLION
TORREON CHAPTER -- $1.425 MILLION
TWIN LAKES CHAPTER -- $.660 MILLION
LAKE VALLEY CHAPTER -- $.520 MILLION
SANOSTEE CHAPTER -- $.7 MILLION
SHEEP SPRINGS -- $1.1 MILLION
COYOTE CANYON -- $1.3 MILLION
COUNSELOR/OJO ENCINO/PUEBLO PINTADO/STAR LAKE -- $2.38 MILLION

A FINAL INDIAN HEALTH APPROPRIATION WHICH I WOULD LIKE TO BRING TO YOUR ATTENTION IS $1.3 MILLION TO BEGIN RENOVATION FOR THE FORT DEFIANCE HOSPITAL. WHILE THIS HOSPITAL IS PHYSICALLY IN ARIZONA, IT PROVIDES HEALTH CARE FOR A NUMBER OF PEOPLE RESIDING IN MY DISTRICT IN NEW MEXICO.

INDIAN EDUCATION IS ANOTHER AREA WITH SOME SERIOUS FUNDING NEEDS. I WOULD LIKE TO REQUEST $500,000 TO ESTABLISH AN ENDOWMENT FOR THE INSTITUTE OF AMERICAN INDIAN ARTS (IAIA). ON DECEMBER 4, THE HOUSE PASSED H.R. 3700, THE HIGHER EDUCATION ACT AMENDMENTS OF 1985. ATTACHED TO THIS BILL IS AN AMENDMENT INTRODUCED BY CONGRESSMAN KILDEE ON MY BEHALF WHICH WOULD ENABLE IAIA TO BE ESTABLISHED AS A SEPARATE INSTITUTE UNDER A BOARD OF TRUSTEES -- ONE BENEFIT TO THIS APPROACH IS THAT IAIA WOULD BE ABLE TO SOLICIT PRIVATE DONATIONS. INCLUDED IN MY AMENDMENT IS A PROVISION SETTING UP A MATCHING DOLLAR FOR DOLLAR ENDOWMENT FUND FOR THE SCHOOL OF UP TO $500,000. THIS BILL IS CURRENTLY UNDER CONSIDERATION IN THE SENATE AND PROSPECTS FOR ITS PASSAGE LOOK GOOD. I AM THEREFORE REQUESTING YOUR SPECIAL CONSIDERATION OF A $500,000 APPROPRIATION TO ESTABLISH THIS ENDOWMENT.

SEVERAL OTHER INDIAN EDUCATION APPROPRIATIONS REQUESTS I WOULD LIKE TO BRING TO YOUR ATTENTION ARE:

THE SHIPROCK CAMPUS OF THE NAVAJO COMMUNITY COLLEGE NEEDS $200,000 FOR A PLANNING AND DESIGN STUDY FOR REHABILITATION AND RENOVATION OF ITS BUILDINGS.

THE SHIPROCK ALTERNATIVE HIGH SCHOOL NEEDS $50,000 FOR A DESIGN STUDY FOR REHABILITATION OF THEIR BUILDING.

THE SANTA CLARA B.I.A. SCHOOL, A KINDERGARTEN THROUGH EIGHTH GRADE FACILITY, NEEDS $1.068 MILLION FOR MAJOR RENOVATIONS AND ALTERATIONS. THIS SCHOOL HAS PREVIOUSLY RECEIVED DESIGN FUNDS THROUGH FACILITIES IMPROVEMENT AND RENOVATION. THIS AMOUNT IS NEEDED TO CARRY OUT THE DESIGN PLAN FOR REPAIRS.

I WOULD LIKE TO ASK YOUR SUPPORT FOR THE RESTORATION OF B.I.A. FUNDING FOR THE AMERICAN INDIAN GRADUATE SCHOLARSHIP PROGRAM TO FY'86 LEVELS.

THE CROWNPOINT INSTITUTE OF TECHNOLOGY NEEDS $1 MILLION FOR EXPANSION AND ONGOING SUPPORT. THEY RECEIVED $500,000 IN FY'86 FOR NECESSARY EQUIPMENT. THIS ADDITIONAL MONEY WOULD ALLOW THEM TO CONTINUE THEIR WORK OF IMPROVING THEIR FACILITIES.

SOUTHWEST INDIAN POLYTECHNIC INSTITUTE NEEDS $600,000. THREE HUNDRED THOUSAND DOLLARS OF THIS AMOUNT WOULD REPLACE OUTDATED EQUIPMENT, THE OTHER $300,000 WOULD REPLACE OPERATING EXPENSES CUT OUT OF THEIR BUDGET.

I WOULD ALSO LIKE TO SPEAK AGAINST THE PROPOSED TRANSFER OF THE JOHNSON-O'MALLEY PROGRAM FROM THE BIA TO THE DEPARTMENT OF EDUCATION -- I BELIEVE IT WOULD HAVE AN ADVERSE IMPACT ON INDIAN STUDENTS.

SEVERAL OTHER INDIAN PROJECTS DESERVE YOUR SPECIAL CONSIDERATION. THE NAVAJO INDIAN IRRIGATION PROJECT (N.I.I.P.) NEEDS $8.3 MILLION TO COMPLETE BLOCK SIX. COMPLETION OF NIIP WOULD CREATE 400 NEW NAVAJO JOBS AND WOULD BE A GOOD STEP IN THE DIRECTION OF ECONOMIC SELF-SUFFICIENCY FOR THE NAVAJO TRIBE.

THE ZUNI TRIBE NEEDS AN APPROPRIATION OF $2.4 MILLION IN ORDER TO FULFILL CONTRACTS TO PURCHASE ITS CULTURALLY AND HISTORICALLY SIGNIFICANT ZUNI HEAVENS LANDS.

THE ALL INDIAN PUEBLO COUNCIL NEEDS A ONE TIME APPROPRIATION OF $166,937 TO MAKE UP FOR A CUMULATIVE BUDGET DEFICIT.

THESE PROJECTS ARE MY REQUESTS FOR INTERIOR APPROPRIATIONS FOR FY'87. THANK YOU VERY MUCH FOR GIVING ME THE OPPORTUNITY TO TESTIFY TO YOUR SUBCOMMITTEE ON THESE IMPORTANT NEEDS OF THE PEOPLE OF THE THIRD CONGRESSIONAL DISTRICT OF NEW MEXICO. IF YOU NEED ANY ADDITIONAL INFORMATION, DO NOT HESITATE TO CONTACT ME. THANK YOU.

Mr. **Murtha**. Bill, I appreciate very much the work you have done on these particular projects you have just listed, and we certainly will give them every consideration. You have been in the forefront, and we know the need is there. We hope we will be able to work them out.

Mr. **Richardson**. I thank the chairman and the ranking minority member for their help.

Thursday, April 17, 1986.

NATIONAL PARK SERVICE

WITNESS

HON. PETER J. VISCLOSKY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. **Murtha**. How about you, Peter?

Mr. **Visclosky**. I appreciate the opportunity to address the subcommittee. I have three requests. The first relates to the Douglas Environmental Center being constructed at the Indiana Dunes. I would ask for an add-on for the National Park Service operating budget in the amount of $200,000, so that the Environmental Education Center can be utilized to its fullest potential.

Additionally, we have lands that are in the authorized boundaries of the Lakeshore nearly 20 years now that have not been acquired and would appreciate an appropriation in the amount of $1.5 million in order to complete it.

I would like to put in a good word for the Land and Water Conservation Fund. It has been instrumental in a number of park developments in Northwest Indiana, an economically depressed area, and it would be of assistance to us.

I certainly appreciate this opportunity to testify and would appreciate submitting my complete statement for the record.

[The statement of Peter J. Visclosky follows:]

TESTIMONY OF
THE HONORABLE PETER J. VISCLOSKY, M.C.
BEFORE THE
HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR
APRIL 17, 1986

MR. CHAIRMAN, I WOULD LIKE TO THANK YOU FOR THIS OPPORTUNITY TO TESTIFY BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR REGARDING MATTERS OF CONCERN TO INDIANA'S FIRST CONGRESSIONAL DISTRICT.

WHILE I AM WELL AWARE OF THE NEED TO REDUCE FEDERAL SPENDING AND APPRECIATE THAT INTERIOR INTERESTS MUST CARRY THEIR SHARE OF THE BURDEN, I AM COMPELLED TO ADVOCATE THAT RESPONSIBLE SPENDING DECISIONS BE MADE TO PROTECT THE INTEGRITY OF CERTAIN PARKS AND RECREATION INTERESTS IN INDIANA'S FIRST DISTRICT. IN LIGHT OF CURRENT FISCAL RESTRAINTS, I WOULD DIRECT YOUR ATTENTION TO THREE IMMEDIATE AREAS OF CONCERN.

FIRST, THE DOUGLAS ENVIRONMENTAL CENTER, LOCATED IN THE INDIANA DUNES NATIONAL LAKESHORE, IS DUE TO BE COMPLETED THIS SUMMER AT AN APPROXIMATE COST OF $1.5 MILLION. THE ENVIRONMENTAL CENTER WILL PROVIDE AN EDUCATIONAL OPPORTUNITY FOR THOUSANDS OF AREA STUDENTS AND WILL ALLOW THOSE WHO VISIT THE PARK TO LEARN MORE ABOUT THE AREA'S ENVIRONMENT AND NATURAL RESOURCES.

PAGE TWO
CONGRESSMAN PETER J. VISCLOSKY

CURRENTLY, THE LACK OF PARK FACILITIES AND THE SHORTAGE OF PERSONNEL NECESSITATES THAT OVER 15,000 SCHOOL STUDENTS ARE TURNED AWAY ANNUALLY FROM THE MEAGER EDUCATIONAL FACILITIES THAT NOW EXIST. THE NEW ENVIRONMENTAL CENTER WOULD HOPEFULLY PROVIDE EDUCATIONAL OPPORTUNITIES TO OVER 50,000 STUDENTS ANNUALLY.

OF COURSE, THE SIGNIFICANT INVESTMENT WE HAVE MADE IN THE ENVIRONMENTAL CENTER WOULD BE OF LITTLE VALUE IF FUNDS WERE NOT AVAILABLE FOR BASIC OPERATING EXPENSES AND STAFF. I FEEL THAT THE ADDITION OF $200,000 TO THE OPERATING NATIONAL PARK SERVICE (ONPS) BUDGET FOR THE INDIANA DUNES IS NECESSARY TO PROVIDE FOR BASIC STAFFING AND MAINTENANCE OF THIS NEW FACILITY. THIS WILL PROVIDE FUNDING FOR TWO WORK YEARS OF NATURAL AND ENVIRONMENTAL EDUCATION, AS WELL AS FUNDS FOR UTILITIES AND OTHER MAINTENANCE REQUIREMENTS, AND FOR INCREASED PARK RANGER PATROLS.

INCREASED PARK RANGER PATROLS ARE ESSENTIAL BECAUSE THE INDIANA DUNES NATIONAL LAKESHORE IS LOCATED IN AN URBAN AREA WITH THE ENVIRONMENTAL CENTER BEING LOCATED IN THE MIDST OF SEVERAL HUNDRED ACRES THAT WERE NOT PREVIOUSLY READILY ACCESSIBLE TO THE GENERAL PUBLIC.

MY SECOND AREA OF CONCERN ALSO REGARDS THE INDIANA DUNES NATIONAL LAKESHORE. I BELIEVE IT IS NECESSARY THAT APPROPRIATE FUNDS BE PROVIDED TO FINALLY COMPLETE ACQUISITION OF PREVIOUSLY AUTHORIZED LAND PARCELS, MOST OF WHICH WERE INCLUDED IN THE ORIGINAL LEGISLATION ESTABLISHING THE PARK IN 1966. TWENTY YEARS LATER, THERE REMAIN NUMEROUS PARCELS OF LAND, INCLUDED AT THE FOUNDING OF THE PARK, FOR WHICH THERE ARE INSUFFICIENT FUNDS TO ACQUIRE. A $1.25 MILLION APPROPRIATION WOULD BE SUFFICIENT FOR THIS PURPOSE.

FINALLY, MR. CHAIRMAN, I WOULD LIKE TO EXPRESS MY SUPPORT FOR THE CONTINUED FUNDING OF LAND AND WATER CONSERVATION BLOCK GRANTS TO STATES. THREE PROJECTS IN MY DISTRICT ARE FUNDED THROUGH THE LAND AND WATER BLOCK GRANTS -- NONE OF THESE PROJECTS COULD BE FUNDED WITHOUT THESE MATCHING GRANTS. FOR EXAMPLE, THE LAKE COUNTY PARKS AND RECREATION COMMISSION HAS RECEIVED $100,000 IN FEDERAL FUNDS FOR THE PAST TWO YEARS TO ESTABLISH AN URBAN PARK ALONG THE LITTLE CALUMET RIVER IN THE BLACK OAK SECTION OF GARY.

THE BLACK OAK PARK IS CURRENTLY IN ITS FINAL PHASE. THE FEDERAL AND STATE GOVERNMENTS HAVE INVESTED A TOTAL OF $400,000 TO DATE IN THIS WORTHWHILE PROJECT WHICH SIMPLY CANNOT BE

COMPLETED WITHOUT CONTINUED FEDERAL FUNDING.

I BELIEVE THIS NATION BENEFITS ENORMOUSLY FROM OUR SYSTEM OF NATIONAL PARKS COUPLED WITH FEDERAL FUNDING TO STIMULATE DEVELOPMENT OF RECREATIONAL AREAS UNDER STATE AND LOCAL JURISDICTIONS.

GOVERNMENT INDUCEMENTS TO THE DEVELOPMENT OF DEPRESSED AREAS CANNOT IGNORE SUCH THINGS AS EDUCATION AND RECREATION -- QUALITY OF LIFE ASPECTS WHICH MORE AND MORE ATTRACT ECONOMIC INVESTMENT AND GROWTH.

I APPRECIATE THIS OPPORTUNITY TO APPEAR BEFORE YOU TODAY AND THANK YOU FOR YOUR CONSIDERATION.

Mr. MURTHA. Your statement will appear in the record. I appreciate your appearing before the committee. Let me say we have noted your interest in the past on these issues. We appreciate it, we know you have been in the forefront in advocating these particular projects.

The chairman is also interested in the Indiana Dunes, as you know. We will do everything we can to help.

[Recess.]

THURSDAY, APRIL 17, 1986.

FOREST SERVICE

WITNESS

HON. JOE BARTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. REGULA. [presiding]. The committee will be in order.

Without objection, your testimony will be made part of the record.

Mr. BARTON. I am here, Mr. Chairman, intending to testify on the southern pine beetle, and after hearing my distinguished colleagues from California I am going to be two for one and flow in a little more on the moratorium. I am here to request an appropriation of $259,000 to do some research on the southern pine beetle problem.

Mr. REGULA. It has been brought to our attention in the prior testimony from the agencies.

Mr. BARTON. To my knowledge, there is no opposition. We held a hearing on this a month ago, and everybody—one thing everybody agrees on is that some more research needs to be done. There is a very specific proposal I requested, that the Texas Forest Service formulate some initial estimates. As much as $5 million would be requested. I made them go back, and they came up with $259,000. It is an expenditure that would be wisely spent and could go a long way toward helping us solve this problem. I would hope your committee would look favorably on that.

The other thing I want to talk about, just briefly, is the request by some members of the California delegation to once more impose a moratorium off the Coast of California. As you know, last year the committee decided not to continue the existing moratorium. Part of that agreement was the Secretary of the Interior would meet with the delegation, not only the Congressmen from the Coastal State of Claifornia, but from other states as well. Those negotiations are ongoing. I am not a member——

Mr. REGULA. I am aware of what is happening.

Mr. BARTON. It is my understanding you are making progress, and I don't think it would be a wise policy after ending the moratorium one year to come back the next year and reimpose it without making sure that those negotiations have exhausted every measure. There are some members on that negotiation team that their definition of success is going to be a ban, and that is not in the national interest.

Secretary Hodel, as you know, has already agreed there are certain areas that should not be drilled. So we are not talking about an administration position where everything is on the table. So I would hope this committee would not even contingently reimpose the moratorium. I would let the negotiations take their course.

I would like to resubmit for the record some testimony, if I could, sir.

Mr. **Regula**. Thank you.

[The statement of Joe Barton follows:]

TESTIMONY OF

CONGRESSMAN JOE BARTON (R-TEXAS)

BEFORE

HOUSE APPROPRIATIONS COMMITTEE
INTERIOR SUBCOMMITTEE

APRIL 17, 1986

OUTER CONTINENTAL SHELF OIL AND NATURAL GAS DEVELOPMENT

Mr. Chairman, members of the subcommittee, I appreciate the opportunity to testify today on Outer Continental Shelf oil and natural gas development. I would also like to address the impact that moratoria on OCS development has had on domestic oil and gas production and U.S. energy security.

I would like to express my concern about efforts to restrict offshore oil and gas development off the coast of California. There are substantial energy reserves in the Pacific Ocean, and our country needs them now. I am sure that we are all aware of the negative impact that the collapse in oil prices has on U.S. oil production. According to the American Petroleum Institute, domestic oil production could decline by as much as 1 million barrels per day within 1 year. Over the next 3 years, U.S. oil production could decline by 3 million barrels per day, which would be a 33% decline from the current production rate of 8.9 million barrels per day. Clearly, our energy security is diminished by lowered oil production levels.

Low world oil prices has another disturbing impact: higher consumption of oil and petroleum products. It seems that our hard-earned achievements in the area of energy conservation are being reversed through the allure of low oil prices. In February 1986, U.S. consumption of oil and petroleum products rose nearly 27% over the levels of February 1985. Americans are using more oil and petroleum products as a result of lower prices. Lower domestic oil production and higher domestic oil consumption lead to diminished energy security.

Many observers note that the United States is not very heavily dependent on OPEC for oil imports. However, rising oil consumption is increasing U.S. dependence on OPEC. In 1985, Saudi Arabia ranked 9th among foreign suppliers of oil to the United States. In February 1986, Saudi Arabian exports matched the second highest ranked foreign source, Mexico. Low world oil prices will usher in another era of American dependence on OPEC for basic resources.

There are some who argue that the collapse in world oil prices makes OCS oil and gas uneconomic to produce. While this may be true when it comes to exploration and development in the Arctic Ocean off the Alaskan coast, this is not true with respect to tracts off the coast of California. My discussions with oil and gas industry representatives indicate that the interest in tracts off the California coast remains very strong and has not been diminished by the fluctuations in world oil prices. The proximity of the California tracts to the coast, a sore point for some, is a fundamental economic advantage that is absent in the Arctic Ocean. Production costs are much lower in the Pacific Ocean, and transporation costs are only a fraction of what they are in Alaska.

Now is the time when the United States needs its offshore oil and natural gas reserves. Congressional moratoria has imposed a high cost on U.S. energy independence. As a result of Congressional moratoria, the U.S. is one of the few areas of the world where OCS oil and gas production has declined in recent years. According to some estimates, moratoria have locked up nearly 6 billion barrels of oil and 10 trillion cubic feet of natural gas. The United States needs these reserves if we are to avoid undue dependence on OPEC.

Offshore moratoria also imposes another cost: job losses. According to a report by Battelle Pacific Northwest Laboratories and Data Resources, Inc., a Congressional moratoria on OCS development off the California coast alone will cost from 66,091 to 265,337 jobs through 1995. These are jobs that our nation cannot afford to lose.

Moratoria is also not justified on environmental grounds. This argument has been raised time and time again, with no justification. I attach for the review of the subcommittee a copy of a report prepared by the House Republican

Energy and Environment Task Force on the environmental impact of OCS oil and gas development. As the subcommittee can determine, the costs are negligible.

I encourage the subcommittee to oppose renewed Congressional moratoria, especially off the California coast. OCS development is essential to American energy security, American jobs, and the health of the American economy.

THURSDAY, APRIL 17, 1986.

FISH AND WILDLIFE SERVICE

WITNESS

HON. LINDSAY THOMAS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. REGULA. Is Mr. Thomas back there. I didn't see him

Mr. THOMAS. Good morning.

Mr. REGULA. Without objection, your testimony will be made part of the record. You can proceed with any comments you might want to make.

Mr. THOMAS. Thank you very much, Mr. Chairman. Thank you for allowing me to appear before you today with regard to two items in the budget, funding for the state and local conservation assistance program administered by the National Park Service, and funding for the Federal fish and hatcheries system and aquariums of the Fish and Wildlife Service.

With regard to the hatchery program, these budget cuts have run again along the same lines, advocating closing the hatcheries throughout the Southeast and other areas, and, of course, this committee in the past has done a great deal to prevent this from occurring. The story this year has some important new twists to it.

Most important is my committee will, on May 8, conduct full committee markup of H.R. 3167, the National Fish Hatchery Act, and that bill, of course, is in direct response to the confusion that has existed in the program for years as the result of these continuous proposals for closure. That bill would establish clear priorities for the Federal program and how it will work. It would permit an orderly examination of the hatcheries and their missions and assure the most important fisheries programs of our Nation will be carried out in a cost effective manner.

So this is precisely, in my opinion, the wrong time to close the hatcheries and aquariums, as suggested by the administration's budget. Instead, all such judgments should be based on the value of a hatchery in conjunction with its role in a congressionally-mandated fish hatchery system, and that mandate would be established in H.R. 3167.

In addition, Mr. Chairman, the southeastern hatcheries, where most of the fiscal year 1987 cuts are targeted, have already taken a series of major cuts over the years. Today, more than ever, the states are unable to absorb any new fishery production missions. So the closures proposed by the administration will have a swift and devastating effect.

From a parochial standpoint, my own district would be affected by the proposed closure of the public aquarium at the Millen National Fish Hatchery, which is soon to be named in honor of my friend and your former subcommittee colleague, the Honorable Bo Ginn. The administration contends closure of that little aquarium would save about $15,000 annually, and which I have to tell you, Mr. Chairman, in direct questions by me to members of the testifying group there before our committee, they could not give me any specifics as to how those $15,000 in savings per aquarium were arrived at.

Let me tell you briefly where we had some 700,000 people visit the beautiful and very impressive British exhibit, which I enjoyed myself, in that small little room there, not much bigger than this committee room here, we had over 100,000 people visit that aquarium, mostly school students from Georgia and South Carolina, and, of course, Veteran Administration patients there in the Augusta Veterans Hospital. So I think it is just patently absurd to close such a facility for those alleged savings. It is operated by existing staff personnel and is a low-cost item that gives tremendous educational benefit.

Finally, I support efforts to restore full funding to the National Park Service's State and Local River Conservation Assistance program. I understand that the administration has recommended no funding for this project, but that there is an established need for some $2 million nationwide. I was surprised this program was targeted for elimination in this time of budget austerity because it is precisely the kind of seed money that makes our limited dollars go further.

In my own state, I have a request pending to conduct a study in cooperation with the Georgia Department of Natural Resources on the lower Altamaha River in my congressional district. At a very modest cost, the Park Service and the state will work with local governments and local citizens to develop a plan to protect this virtually pristine coastal river system.

The heart of this study will be the establishment of a voluntary plan of protection. There will be no proposals for Federal land acquisition. Instead, we will ask for a voluntary management plan that could be implemented by willing land owners and local governments.

We hope that the plan will provide for the development of a long-term strategy to maximize the recreational opportunities of the river, while at the same time conserving the natural values which make the river so special. It is a beautiful river, it comprises immense cypress swamps, hardwood forests, tidal marshes, and river islands, and it is truly very unique. It is also one of the rivers most vulnerable to the kind of relentless destruction that has unfortunately characerized the loss of wetlands in the South.

Of the nine million acres of wetlands lost in the United States between 1950 and 1970, eight million of that nine million were lost in the Southeast. The scientists tell us 80 percent of the destruction comes from improper farming and forest industry practices. I hope the study will give us a blueprint that will prevent that kind of damage.

I would plan to use it as a model for similar action for other than coastal rivers in Georgia. There are five major rivers that flow thereto.

The state and local river conservation program is the kind of program that relies on local citizen support, and it requires local initiative. It does not contemplate big Federal land acquisition schemes. In short, it is precisely the kind of program we need now to make our scarce dollars go farther in these times of budget austerity.

I urge the subcommittee to carefully consider these requests, and I appreciate your kind attention today.

Mr. **Regula**. Thank you for your statement.

[The statement of Lindsay Thomas follows:]

Remarks of U.S. Rep. Lindsay Thomas
Subcommittee on Interior
House Committee on Appropriations
April 17, 1986

Mr. Chairman, I thank you for your courtesy in permitting me to appear before you today with regard to two items in the budget—funding for the State and Local River Conservation Assistance program administered by the National Park Service, and funding for the federal fish hatchery system and aquariums of the U.S. Fish and Wildlife Service.

With regard to the hatchery program, the budget cuts proposed this year are another chorus of an annual song by the Administration to gradually eliminate funding for most hatcheries in the southeast and other areas. Your subcommittee has done a great deal to prevent inappropriate reductions over the years.

But the story this year has some important new twists. Most important is that my Committee on the Merchant Marine and Fisheries will on May 8 conduct full committee markup of H.R. 3167, the National Fish Hatchery Act.

This bill is in direct response to the confusion that has existed in the Federal fish hatchery program for years as a result of proposals for closures. The bill will establish clear priorities for the federal program and how it will work.

It will permit an orderly examination of the hatcheries and their missions. It will insure that the most important fisheries programs of our nation will be carried out in a cost-effective manner.

So this is precisely the wrong time to close hatcheries and aquariums as is suggested by the Administration budget. Instead, all such judgements should be based on the value of a hatchery in conjunction with its role in a Congressionally-mandated fish hatchery system. That mandate would be established in H.R. 3167.

In addition, Mr. Chairman, the southeastern hatcheries, where most of the FY 1987 cuts are targeted, have already taken a series of major cuts over the years. Today, more than ever, the states are unable to absorb any new fishery production missions. So the closures proposed by the Administration will have a swift and devastating effect.

From a parochial standpoint, my own District would be affected by the proposed closure of the public aquarium at the Millen National Fish Hatchery, which is soon to be named in honor of my friend and your former subcommittee colleague, the Honorable Bo Ginn.

The Administration contends that this closure will save $15,000 annually, which I think is largely fiction. The only expense involved is some minor servicing of the tanks, the maintenance of a very modest cinder block building, and utilities. The work for the aquarium is performed by employees at the hatchery in addition to their regular duties.

This small aquarium is visited by almost 100,000 persons each year. It is a primary educational resource for school students who travel there from Georgia and South Carolina. It is heavily visited by patients from the Veterans Administration Hospital in Augusta and from other areas.

It is patently absurd to close such a facility for the alleged savings of $15,000. It is also foolish to go about closing hatcheries by some seat of the pants plan when the Congress is about to consider a comprehensive new national fisheries program that will have a direct bearing on the mission of those hatcheries.

Finally, Mr. Chairman, I strongly support efforts to restore full funding to the National Park Service's State and Local River Conservation Assistance program. I understand that the Administration has recommended no funding for this project, but that there is an established need for some $2 million nationwide.

I was very surprised that this program was targeted for elimination when, in this time of budget austerity, this is precisely the kind of seed money program that makes our limited dollars go the farthest.

In my own state, I have a request pending to conduct a study in cooperation with the Georgia Department of Natural Resources on the lower Altamaha River in my Congressional District. At a very modest cost, the Park Service and the state will work with local governments and local citizens to develop a plan to protect this virtually pristine coastal river system.

The heart of this study will be the establishment of a voluntary plan of protection. There will be no proposals for federal land acquisition. Instead, we will ask for a voluntary management plan that could be implemented by willing land owners and local governments.

We hope that the plan will provide for the development of a long-term strategy to maximize the recreational opportunities of the river, while at the same time conserving the natural values which make the river so special. This river system includes immense cypress swamps, hardwood forests, tidal marshes, and river islands of great diversity. It is also one of the rivers most vulnerable to the kind of relentless destruction that has characterized land use practices in the southeast over the past three decades.

Of the 9 million acres of freshwater wetlands lost in the United States between the mid 1950's and the mid 1970's, 8 million acres were in the southeast. The scientists tell us that 80 percent of that destruction comes from improper farming and forestry practices. It is my hope that a study of the Altamaha will help give us a blueprint for action that will prevent that kind of irreversable damage in the Altamaha River area. I would plan to use it as a model for similar action for other coastal rivers in Georgia.

Mr. Chairman, the State and Local River Conservation program is the kind of program that relies on local citizen support, and it requires local initiative. It does not contemplate big federal land acquisition schemes. In short, it is precisely the kind of program we need now to make our scarce dollars go farther in these times of budget austerity.

I urge the subcommittee to carefully consider these requests, and I appreciate your kind attention today.

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THURSDAY, APRIL 17, 1986.

ABANDONED MINE LAND RECLAMATION PROGRAM/ INDIAN PROGRAMS

WITNESS

HON. WES WATKINS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA

Mr. REGULA. I ask unanimous consent the statement of Mr. Watkins be made part of the record, and he summarize it in about 30 seconds.

Mr. WATKINS. Mr. Chairman, I appreciate—is there something up?

Mr. REGULA. Go ahead.

Mr. WATKINS. Mr. Chairman, I want to thank you for allowing me time to come personally to request assistance and help again on the Indian road. I believe it was two years ago when I came before this group and asked your help on an Indian road, and at that time I was asking for $5 million. In the wisdom of the committee, they were able to help me with $1 million, and I would like for you to know the results of that. We were able to parlay that, with me being able to get matching funds put together and basically get the Indian road built.

I am also at this time asking for that additional $4 million I was asking for at that time because of what we call the Honobia Road, which is a road in the heart of the Indian area which leads to the hospital, and this is an area that still today does not have some of its rural water and some of it does not even have electric. If we could get this hard-surfaced road, it would open up the area in this highly populated Indian area.

I would like to request $4 million for that particular purpose. My good friend, Mike Synar, is here to talk about the land mining reclamation. I want to echo and say "ditto" to what he is going to be discussing. He is taking a lead in that a great deal, and I hope you will give utmost consideration to his discussion also.

And our friend, Dave McCurdy, is submitting a letter concerning the research and development under the Fossil Fuels Subcommittee. I want you to encourage consideration of his testimony. But the number one thing, I was wanting to give you the good results of what we were able to do with that $1 million two years ago. We were able to do a lot more. If you could help me with that $4 million, I might be able to finish up that entire program.

Mr. REGULA. Do you have a statement for the record?

Mr. WATKINS. I have a statement for the record, but you all put me on so quick.

Mr. REGULA. We will hold it up and insert it at this point.

Mr. WATKINS. I have a statement for the record.

Mr. REGULA. Thank you.

[The statement of Wes Watkins follows:]

Testimony of

The Honorable
Wes Watkins
3rd District, Oklahoma

Before The
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
Committee on Appropriations

Thursday, April 17, 1986

Good afternoon, Mr. Chairman. Thank you for being so generous with this subcommittees time and allowing me to appear today. Mr. Chairman, as you know, I have a great deal of respect for you, the members of the committee, and the work you do. Briefly, I have three items that I would like to disuss with you.

First, I would like to discuss the Honobia Indian Road project in Oklahoma. As you know from our nation's history, our government previously relocated all of the people of the Choctaw Indian Nation by way of the Trail of Tears to the area that is now southeast Oklahoma. Although none of the Indians in Oklahoma reside on reservations any longer, they do still reside on so-called "Indian Lands" there, and most, including the Choctaws, still reside primarily in the same areas in which their former reservations were located. Consequently, the Choctaw Nation still constitutes a large percentage of the population of southeast Oklahoma.

The Choctaw Nation and I would greatly appreciate the Subcommittee's consideration of our request to provide $4 million from the BIA Road Construction program for the improvement of the Honobia Indian Road in southeast Oklahoma.

The road is in a terrible state of repair, with a large portion of it remaining unpaved. The road serves as the only direct route for the Choctaw Indian population of Pushmataha and McCurtain Counties to travel north to the Indian hospital and health clinic in Talhina, and it is the only north-south road in that area that crosses the Kiamichi Mountains.

The road is approximately 48 miles long. It runs from Talihina south along an unpaved road through the Kiamichi Mountains to Honobia; it continues south along State Highway 144 through Bethel and on south to State Highway 3 near New Ringold. I have attached a map of the road to my statement for clear identification of the road.

As you will note from the map, the road is not closely paralled by any other route. Consequently, the Indian population of the area must either travel across this terribly rough and rugged road if they are going to seek medical care in Talihina, or they must make an extremely long trip to travel around the area to the closest road that provides smoother travel. The result is that many Indian people do not seek the care they should have.

I believe this project is vitally important to the Indian population of southeast Oklahoma, and I urge your approval of the requested funding for its improvement.

Second, I would like to discuss the successful abandoned mine land reclamation program conducted by Oklahoma. That is, it has been successful as long as there has been funding available. There was never a more optimum time to conduct such a program.

My district is an area that has been plagued with double-digit unemployment. Ironically, the reason for the economic state of the area for the last 50 years has been largely attributed to the decline of coal mining operations. Oklahoma's agriculture economy began to slump at the end of 1981. Now, with the price of oil on the world market failing, the energy industry has collapsed. Programs such as this are needed ~~to~~ number one, reclaim the areas; and number two, provide temporary employment.

Most importantly it should be noted that with the current surplus of labor in my district and all of Oklahoma, projects such as this can be completed at a fraction of the cost. Now is the time to proceed and take action. To achieve the maximum result needed and at the lowest cost to the government, funds should be restored to a significant level to do the job.

It should be noted, there is presently over $345 million unappropriated in the AML Trust Fund. Since FY 1975 there has been a 34 percent reduction in the appropriation for state abandoned mine land (AML) reclamation grants. This is primarily due to the fact that the Office of Surface Mining (OSM), Department of Interior, has been reporting that the states are not obligating grant monies in a timely manner. A state has three years to obligate each AML construction grant's funds, a fact which OSM has failed to emphasize in its reports.

Oklahoma's record of AML obligation refutes OSM's contention of a low obligation rate. Oklahoma has had four construction grants approved for a total of $5.5 million. The obligation rates for these grants are as follows:

FY 1982 AML Construction Grant ($769,145.59)-100 percent
FY 1983 AML Construction Grant ($1,624,292.04)-99 percent
FY 1984 AML Construction Grant ($1,771,207.00)-79 percent
FY 1986 AML Construction Grant ($1,315,407.00)-40 percent since grant approval in November 1985.

Due to the Office of Surface Mining's (OSM) partial withdrawal of the Oklahoma Department of Mines Regulatory Program on May 1, 1984, OSM froze all funding for construction of AML projects. On July 9, 1984, OSM released to Oklahoma $1.3 million of the FY '84 AML Construction Grant to fund construction of two of the original seven projects in this grant. No new construction funds were allocated in FY 1985 and FY 1986. In November 1985, OSM released the remaining $1.3 million of the original FY '84 AML Construction Grant for construction of the remaining five projects, calling it Oklahoma's FY '86 AML Construction Grant. In essence, Oklahoma received no new construction funding for the last two fiscal years.

On April 9, 1986, Oklahoma submitted a construction grant application for FY 1986 funding. The Office of Surface Mining was requested to fund this grant from the Secretary of Interior's 50 percent discretionary share of the AML Fund. The seven projects in this application are part of 17 AML projects with designs completed during the freeze.

To date, Oklahoma has completed 32 AML projects. Six projects are currently under construction and three will be bid for construction in the next two months. With the state experiencing a severe economic crisis, recent construction contracts are being bid below grant estimates. With these low bids, twice the amount of acres could be reclaimed if the funding was available.

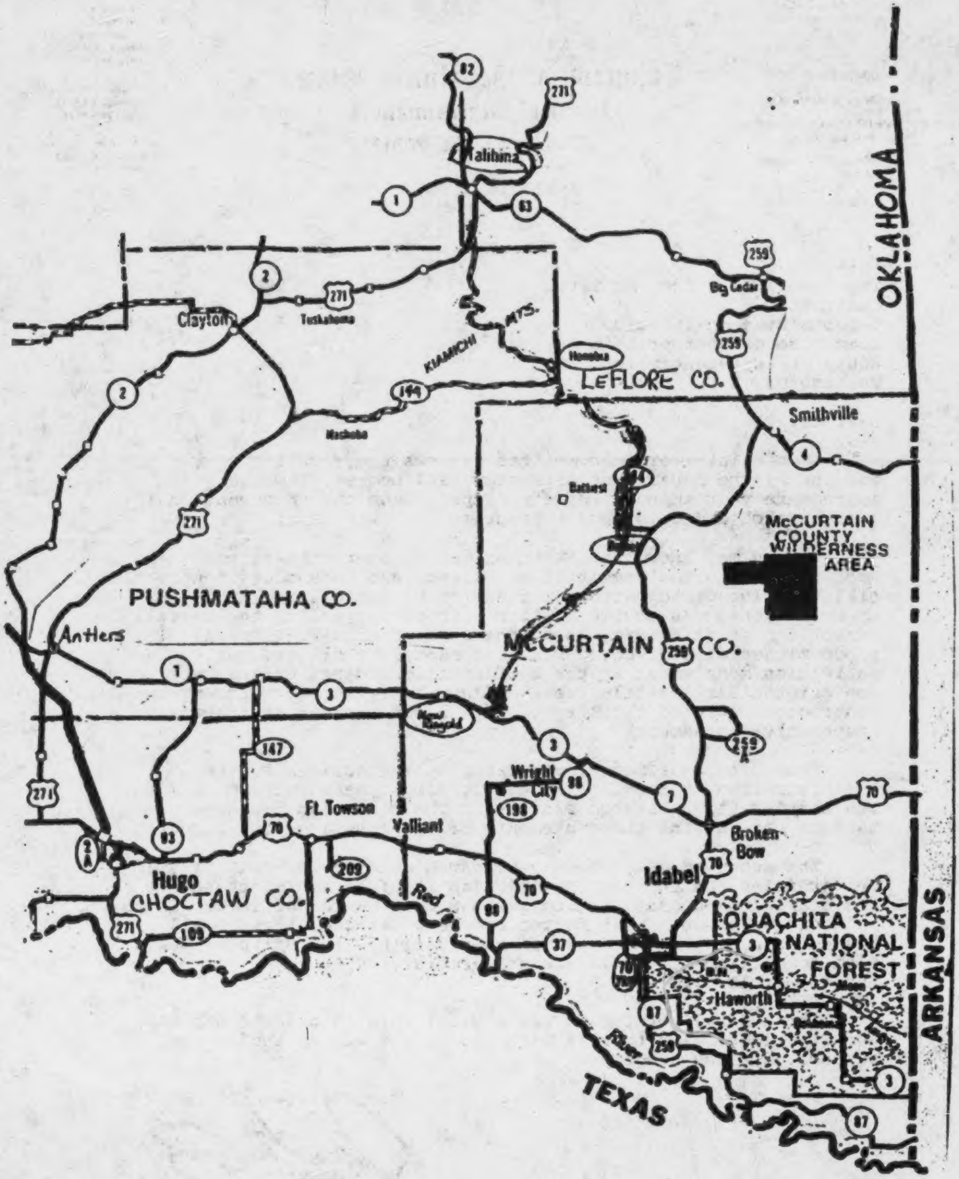
Mr. Chairman, realizing the constraints of the Congress this year, I would like to ask the committee to consider increasing the appropriation for the AML to the FY 1985 level or a level that would have a line item guarantee to States of a minimum annual $2 million AML construction grant. The States would have to justify their need for the $2 million base. The States could possibly use their 50 percent share to attain the $2 million base. This would allow States, like Oklahoma, to make long range reclamation plans.

Finally, let me say, this program has been most beneficial in my district. Currently, there are two projects being completed there. Yet, many unreclaimed mine sites continue to pose a threat to the public's health and safety. Mr. Chairman, I would appreciate any help you could provide in restoring this appropriation to a level that States such as Oklahoma can benefit.

My third and final concern relates to the DOE programs for petroleum research and unconventional gas research. I strongly support the position taken by my colleague from Oklahoma Congressman Dave McCurdy on this issue in a letter he has prepared for the subcommittee, and I would like to submit it for inclusion in the record if there is no objection.

The oil and gas industry is in dire straights at this time, and the increase in funding for research in this area as adopted by the Subcommittee on Energy Development and Application in the Committee on Science and Technology, would be of great benefit to areas experiencing recessions due to the depression in the oil and gas industry. I strongly urge the subcommittee to support funding for these programs at their increased authorization levels.

Thank you, Mr. Chairman, for the opportunity to appear before you today and bring these issues to the Subcommittee's attention.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Smithville
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PUSHMATAHA CO.
Antlers
McCURTAIN CO.
Wright City
Ft. Towson
Valliant
Broken-Bow
Idabel
Hugo
CHOCTAW CO.
Red River
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DAVE McCURDY
4TH DISTRICT, OKLAHOMA

COMMITTEES
ARMED SERVICES
SCIENCE AND TECHNOLOGY
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE
CHAIRMAN,
OVERSIGHT AND EVALUATION

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April 16, 1986

The Honorable Sidney R. Yates
Chairman
Subcommittee on Interior
Committee on Appropriations
House of Representatives
Washington, D.C.

Dear Mr. Chairman:

As the Interior Subcommittee reviews the fossil energy portion of the Department of Energy FY87 budget, I would appreciate your support for strong petroleum and unconventional gas research and development programs.

As you may know, the Subcommittee on Energy Development and Applications in the Committee on Science and Technology reported a bill that increased petroleum research to $40 million and unconventional gas to $10 million without increasing the overall amount for fossil energy above the appropriated FY86 level. The subcommittee bill directed DOE to consolidate oil and gas activities management at the Bartlesville Project Office, and convert the Bartlesville research laboratory to a government-owned contractor-operated facility or extend the present contractor's cooperative agreement.

This plan is aimed at reversing recent actions by the Administration to drastically cut funding, phase out BPO, and sell the Bartlesville research facility. The plan also restores balance between the three elements of the fossil energy budget.

The enhanced oil recovery research done at our country's universities and the Bartlesville lab is of great importance to the small independent producers whose main source of income is the sale of raw crude. With better recovery methods, these small businessmen of the industry can keep marginal and stripper wells open longer, and tap billions of barrels of discovered yet unrecoverable oil.

The federal government has a vital role in oil and gas R&D, and I would be glad to work with you in any way to ensure the success of these programs.

Sincerely,

Dave McCurdy

Dave McCurdy, M.C.

THURSDAY, APRIL 17, 1986.

OFFICE OF SURFACE MINING

WITNESS

HON. MIKE SYNAR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA

Mr. **REGULA**. Mr. Berman. Do you want to let Mike go first?

Mr. Synar, your statement will be made part of the record, and we appreciate it if you could summarize it for us.

Mr. **SYNAR**. Thank you. Let me, first of all, ditto what Wes said and what Mr. McCurdy said about energy research and development. Those are issues very vital to our delegation.

Let me just tell you where we are coming from on this. We have a problem with the abandoned mine land fund because what we intended it to be used for and how it was to be used is not being done. In my home State of Oklahoma, I can use examples of where, because of the lack of reclamation, people have been killed and the people back there, as they would in any other state, they don't understand these unobligated balances or whatever. I think the important feature—and I don't need to go through this for you all on appropriations—the fact of the matter is no revenue dollars go into reclamation. This was a fund created from these fees and supposed to go out.

I think what they are trying to do is count them as budget pluses or budget negatives or the lack of budget negatives, and that is wrong, you can't do that. And because of that, the funds are not being distributed in a timely manner. What they argue when they come in here is the fact we are not using the funds in an appropriate fashion quick enough. That is not the case. What the case is the fact we have all these plans for reclamation sitting on the shelves, and what I think we ought to do is push for the movement in this area in order to clean up these areas.

That is all I will say.

[The statement of Mike Synar follows:]

TESTIMONY OF REPRESENTATIVE MIKE SYNAR (D-OKLA.)
BEFORE THE SUBCOMMITTEE ON INTERIOR,
HOUSE COMMITTEE ON APPROPRIATIONS
APRIL 17, 1986

Mr. Chairman, I am concerned about the abandoned mine land fund (AML) because what both OSM and the Congress do with regard to this program has a very direct affect on people who live in eastern Oklahoma. To date, through no fault of their own, they have not received all they are entitled to under the program. I would like to see that changed.

In its budget request, the Department of the Interior proposes reductions in AML funding "due to the continued high level of State unobligated balances remaining from prior year grants." The people who live near abandoned mines scattered throughout my district do not know a lot about "unobligated balances." Most probably do not know what the AML fund is. But, they do know what has happened to their neighbors. As long as the fund has money, I think they would say that "unobligated balances" are a poor excuse for not doing everything possible to reclaim dangerous sites during the six years left in the life of the AML fund. If OSM will give Oklahoma the money, it will be spent to reclaim abandoned mines.

Let me quote briefly from some news clips to give you an idea of what the AML fund means to people:

> "A Baptist preacher's young son who fell into a strip pit filled with water Tuesday while playing with his dog later was pronounced dead at Hillcrest Medical Center, hospital officials said." April 14, 1982.

> "A 34-year-old Marble City man drowned late Friday afternoon at a strip pit between Cameron and Poteau on SH-112, according to the highway patrol in McAlester." June 26, 1983.
>
> "...the body of 29-year-old Gary Dewayne Morgan was discovered in a coal pit about 3/4 mile west of Foyil after an apparent 40-foot fall from the edge of the pit...." August 9, 1983.
>
> "Members of the Sallisaw Fire Department Saturday recovered the body of a Sallisaw man from a strip mining pit in Sequoyah County." July 8, 1984.

Most of the sites involved in these accidents have been reclaimed with AML money. But there are others, still unreclaimed, which continue to pose a hazard.

Oklahoma's reclamation efforts are being frustrated. First, the Office of Surface Mining, in actions inconsistent with the requirements of the Surface Mining Control and Reclamation Act, withheld reclamation grants from Oklahoma for two years. This occurred after OSM took over the enforcement functions of the Title V regulatory program in Oklahoma. During that period of time, according to OSM, Oklahoma continued to have an approved regulatory program -- the only condition in the Surface Mining Act for AML funding. Yet, OSM held money back from Oklahoma.

Here's what happened: On May 1, 1984, OSM "froze" $2.6 million for funding for construction of AML projects. On July 9, 1984, OSM released $1.3 million of the FY 1984 AML Construction Grant to fund construction of two out of seven proposed projects. No new construction funds were allocated in FY 1985 and FY 1986. In November 1985, OSM released the remaining $1.3 million of the original FY '84 Construction Grant for five projects, calling it Oklahoma's FY '86 Construction Grant. In essence, then, Oklahoma has received no new construction funding for the last two fiscal years. Plans developed by the Oklahoma Conservation Commission for reclamation have collected dust.

Now, here's the rub. Each state is eligible for an amount of funding which equals 50% of the production fees collected annually in that state. The coal industry in Oklahoma has fallen on hard economic times. Production is off. Fewer reclamation fees are being collected. So, now there is even less money available for Oklahoma. As a result, sites are being left unreclaimed.

What's the solution?

1. Notwithstanding OSM's recommendations, Congress should appropriate enough money to insure that states can complete their projects. Instead of the $191 million requested by OSM, it should be at least $248 million.

2. If Congress is concerned about "unobligated balances," a solution should be devised to address the problem on a state by state basis.

But, before doing so, I urge the Committee to examine this matter in more detail, and to test OSM's figures. In February, you received testimony from Mike Kastl, representing the National Association of Abandoned Mine Land Reclamation Programs. He pointed out that OSM has misled Congress on the question of the obligation of grant money because each AML Construction Grant is a three year grant. In many cases, due to the front end design and engineering required on an AML reclamation project, the majority of the AML funds are obligated in the third and final year. Judged on this three year basis, many states have very good obligation rates, including Oklahoma, whose record is especially good in light of the uncertainties created by the freezing of the AML funds.

3. To deal with problems resulting from a decline in coal production (like Oklahoma's), I urge this Committee to use its influence to encourage the use of the Secretary's discretionary fund, so as to insure that each state gets a minimum grant of at least $2 million a year. Oklahoma can do much more efficient planning and reclamation if it has a consistent, predictable funding base.

I would like to make a couple of additional observations. The Committee is also considering language to further condition eligibility for AML grants on participation in a nationwide data system regarding mining permits and on effective enforcement of Title V of the Act. I agree with both these goals. But OSM has plenty of existing authority to require states to do both things -- it's just unwilling to exercise it. Further restricting AML grants will only undercut the basic purpose of the AML program: reclamation of abandoned mine sites and elimination of public hazards.

Finally, I urge this Committee to ask the bottom line question of why Interior proposes a reduction in the AML appropriation. Does it have a legitimate concern about "unobligated balances," or is this just a smoke screen to keep $50 million in the Treasury and make the Federal deficit look a little smaller? If what we are really doing here is making the books look better, I think it is unfair to ask any citizen who lives near an AML site to make this additional contribution to the budget balancing effort.

Mr. Regula. Do you know whether your state has gotten their act together? I think the OSM took back responsibility for a period of time because of the deficiencies in the state program. To your knowledge, has that been corrected?

Mr. Watkins. It has been corrected.

Mr. Synar. It has been corected. In fact, I supported that taking over during that period of time. This is a separate question, this is a question of reclamation where the ACSC offices and everybody are on line. They have the programs on the shelf. The performance rate for Oklahoma is outstanding as compared with other states.

Mr. Regula. I would share with you that I very strongly believe wherever there is a plan for action, we should implement it. Because that is what these monies are being collected for, and I recognize the temptation in a unified budget to have them available to offset expenditures in other areas, but nevertheless we are sympathetic to your point of view.

Thursday, April 17, 1986.

SANTA MONICA NRA

WITNESS

HON. HOWARD L. BERMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. Regula. Mr. Berman, your statement will be made part of the record, and we would appreciate if you would summarize it for us.

Mr. Berman. I will, Mr. Chairman, and thanks for the opportunity. I know at least Congressman Beilenson and perhaps others representing areas in our part of or adjacent to the Santa Monica Mountains National Recreation Area have come before the subcommittee. The subcommittee has, over the past few years, been a critical part of a process of allowing land acquisition program to continue even though, under the original legislation, the entire acquisition program was to have been completed two years ago.

We are now approaching one-third of the designated area with acquisitions. The statement has a long list of critical areas of most immediate priority. We don't even realistically expect the subcommittee to be able to appropriate enough money to do that entire list, but I do have to mention that the imminent pressures of development in these areas jeopardize each of these acquisitions very significantly, and whatever the subcommittee can do to help us in this area would be greatly appreciated and critically needed.

There is one specific point I would like to emphasize. I haven't read the prepared statements of my colleagues who are coming before this subcommittee on this issue. The extent to which the subcommittee would be helpful in making sure that the National Park Service does not close the Land Acquisition Office for the Santa Monica Mountains.

Mr. Yates [presiding]. I am sorry, he has to go, and I have to come. Thank you.

Mr. Berman. Just one particular point, and that is to ask the subcommittee's help in causing the administration and the National Park Service to re-think its decision to close the Land Acquisition Office in the Santa Monica Mountains.

[The statement of Howard L. Berman follows:]

STATEMENT OF CONGRESSMAN HOWARD L. BERMAN
BEFORE THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES OF THE HOUSE COMMITTEE ON APPROPRIATIONS

APRIL 17, 1986

Mr. Chairman,

Thank you for allowing me this opportunity to testify on the budget for the Department of Interior. As in previous years, I am here to speak in support of funding for land acquisition in the Santa Monica Mountains National Recreation Area, part of which falls within my Congressional district. This Subcommittee has always been receptive to the needs of the Recreation Area. I very much appreciate your past and present support for the Santa Monicas.

Notwithstanding the severe budget constraints we face today, and the fact that the Reagan Administration has again recommended no funding for land acquisition in the Santa Monicas, I want to encourage the Subcommittee to appropriate sufficient funds this year so that the park may continue to meet the growing needs of the people of Southern California.

The land acquisition program in the Santa Monicas should have been completed two years ago under the timetable contained in the park's 1978 enabling legislation. But today, that process is only one-third complete.

Still, the National Park Service has done an admirable job acquiring land for the recreation area with the relatively modest amount of funding Congress has appropriated in the last few years. The Park Service now owns more than 11,000 quality acres in and around the Santa Monica Mountains. This is an excellent start toward fulfilling the Park's acquisition goals, but we have a long way to go before the Park will be completed.

Following is a list of properties the National Park Service has indicated as priority acquisitions in the Santa Monicas.

--- A number of smaller properites in the Zuma and Trancas Canyons where landowners have been waiting for years to sell property to the Park Service could be acquired for about $1 million.

--- For an estimated $13 million, the Park Service could acquire the Claretville property, a 214 acre tract in the Las Virgennes Valley that would be the ideal site for a joint state and national park headquarters, a major visitor center, a museum, a hostel and a research center. Claretville already has structures that could be adapted for these purposes.

--- Solstice Canyon provides easy access to the Pacific Ocean from the mountains and is a magnificant area for hiking and picnicking. It also has excellent development potential and will likely be a residential development if the Park Service does not acquire it soon. The Park service could acquire this property for an estimated $8.7 million.

--- Another 1,738 acreas in the Zuma and Trancas Canyons is immediately available to the Park Service and could be acquired for an estimated $8.7 million.

--- The 314 acre Medea Valley property located adjacent to land already owned by the Park Service would provide a critical link in the major north - south trail in the mountains. This property could be acquired for an estimated $8.7 million.

--- The Park Service has planned to reimburse the Santa Monica Mountains Conservancy for a portion of the acquisition costs of the Peter Strauss Ranch, and to assume management of the property. The estimated cost of this transaction is $690,000.

--- For an estimated $290,000, the Park Service could acquire the Hernandez Bowl in Topanga Canyon. This property is valuable to the park as a vital link in the Backbone Trail corridor.

I know that we can't realistically expect Congress to appropriate the funds to make all of these purchases this year. But it is important that the subcommittee be aware of the needs of the park and of the need to appropriate a sufficient amount this year.

The Santa Monica Mountains National Recreation Area serves and coexists with the fastest growing metropolitan area in the United States. It has the potential to be the most frequently visited unit of the National Park system, and already attracts half a million visitors a year even though only one third of the park has been completed. Its proximity to the more than 10 million people who live in the Los Angeles metropolitan area is evidence of its enormous recreational potential. Conversely, urban expansion is also the greatest threat to the continued growth of the park, as developers compete with the Park Service for land acquisition in the Mountains.

Every year, the pressures for development grow, and land in the Santa Monica Mountains becomes scarcer and more expensive. To slow the land acquisition process is to open the way for developers to move in and acquire land that would be of much greater public benefit if included in the park system.

On that point, Mr. Chairman, I would like to ask the subcommittee's help in seeing that the National Park Service continue to maintain a Land Acquisition Office within the Santa Monica Mountains. As you know Mr. Chairman, earlier this year, NPS announced its intention to close the Santa Monicas' on-site acquisition office and transfer its duties to the National Park Service's western regional office. Such a move would have a disasterous impact on the land acquisition process in the Santa Monica Mountains.

Without the presence of a land office in the Santa Monicas, purchases will be delayed, if not lost altogether, opportunities for acquisitions at favorable prices will be missed, and relationships between the NPS and the 3,000 private landowners in the area will deteriorate. Without local land officers, NPS certainly will lack the resources to repeat past successes in soliciting donations and acquiring bargain properties from local residents.

With the funds appropriated for FY 1986, the Park Service has acquired a number of properties in the Zuma and Trancas Canyons. These adjoining coastal canyons contain rare and valuable wildlife and are among the most ecologically significant areas of the entire park. The most important FY 1986 acquisition in Zuma Canyon was a 1,530 acre parcel which was purchased jointly with the Santa Monica Mountains Conservancy, the state's land acquisition agency. The Park Service spent $2 million on the property while the state spent $6 million. This land, which had been privately appraised at between $12 and $14 million, was acquired at the bargain basement price of $8 million total.

Without the support of a local NPS land acquisition office we may lose the ability to secure transactions like this. I hope that the subcommittee will take action to ensure that the Santa Monica Mountains National Recreation Area retains its on-site land office.

Again, Mr, Chairman, I appreciate your subcommittee's history of support for funding of the Santa Monica Mountains National Recreation Area. I hope the park will continue to receive your strong support.

Thank you for the opportunity to testify, and your consideration of this request.

Mr. YATES. Someone was in this morning about it.

Mr. BERMAN. I won't burden the subcommittee with repeating that. But through language or indirect pressures, that would be helpful because I really believe once they do that, we are on the road to winding this whole thing down, and that would be tragedy.

Mr. YATES. Thank you.

THURSDAY, APRIL 17, 1986.

NATIONAL PARK SERVICE

WITNESS

HON. DENNIS E. ECKART, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. YATES. Dennis Eckart. Mr. Eckart.

Mr. ECKART. This is your day, Mr. Chairman.

Mr. YATES. We appreciate your coming in.

Mr. ECKART. I would assume you would rather us submit a statement.

Mr. YATES. Yes.

Mr. ECKART. It is not very often that a former chairman of this committee through his current Congressman comes back and asks for money. Congressman James A. Garfield, before he was President, was chairman of the House Appropriations Committee and of this subcommittee, over 120 years ago.

Mr. YATES. Does that mean I am going to be assassinated?

Mr. ECKART. I would hope the question would focus on when you would become President, in which case we would be delighted to adopt you as a native Ohioan.

Very briefly, Mr. Chairman, the restorations of Garfield will be limited to repairs of emergency repairs to the front porch, structural repairs to the facility to the tune of $468,000. Mr. Regula, who just left, submitted a series of written questions, which I understand the committee now has the answers in its possession.

Some of the funds additionally will be used to provide access for the handicapped, which is not currently available at the site. Garfield is a national historical site. It has been listed by our Government as the best example of a Presidential home in existence today. The Park Service has submitted a request through 1992 of $1.2 million, but, of course, we have limited our request to the emergency repairs in the amount of $468,000, which I have referred to.

The Garfield home is a few miles from my home in the City of Mentor. It is a major tourist attraction, it is administered by the same people who administer the Cuyahoga Valley Park, which you and Mr. Seiberling and Mr. Regula were helpful in creating and funding.

With that in mind, I would submit for the record the balance of my statement.

Mr. YATES. Good. It is in the record, and we are delighted with the brevity and cogency of your arguments. Thank you very much.

[The statement of Dennis E. Eckart follows:]

TESTIMONY ON JAMES A GARFIELD SITE (LAWNFIELD)
REPRESENTATIVE DENNIS E. ECKART, 11TH OHIO
BEFORE THE INTERIOR SUBCOMMITTEE
HOUSE APPROPRIATIONS COMMITTEE
APRIL 17, 1986

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I AM HERE TO REQUEST THAT YOU APPROVE $468,000 IN FUNDS FOR THE JAMES A. GARFIELD HISTORIC SITE IN MENTOR, OHIO. THE NATIONAL PARK SERVICE FOUND THAT THIS PROPERTY, MORE COMMONLY KNOWN AS LAWNFIELD, IS THE BEST EXISTING SITE ASSOCIATED WITH OUR TWENTIETH PRESIDENT. MORE IMPORTANTLY, THE PARK SERVICE DETERMINED THAT LAWNFIELD, BECAUSE IT REMAINS VIRTUALLY INTACT FROM GARFIELD'S DAY, IS AMONG THE MOST SIGNIFICANT OF ANY PRESIDENTIAL MONUMENTS.

YET, THE SITE'S CURRENT STATE OF DISREPAIR PRECLUDES MANY VISITORS FROM ENJOYING ITS FULL SIGNIFICANCE. THE PORCH FROM WHICH HE CONDUCTED HIS 1880 PRESIDENTIAL CAMPAIGN HAS DETERIORATED TO THE POINT WHERE IT IS OFF LIMITS TO THE PUBLIC. IN ITS BUDGET PRESENTED TO CONGRESS THIS YEAR, THE PARK SERVICE REQUESTED THAT $1.2 MILLION BE APPROPRIATED IN 1992 TO RESTORE THE HOUSE AND ITS OUTBUILDINGS. UNFORTUNATELY, MANY OF THESE REPAIRS CANNOT WAIT UNTIL THAT TIME AND NEED TO BE DONE AS SOON AS POSSIBLE TO ENSURE BOTH THE SAFETY OF THE VISITORS AS WELL AS THE PRESERVATION OF THIS HISTORIC PROPERTY.

RECOGNIZING THE CURRENT BUDGET CONSTRAINTS, I REQUESTED THAT THE CUYAHOGA NATIONAL AREA, WHICH OVERSEES RESTORATIVE WORK ON THE SITE, LIMIT ITS FUNDING REQUEST TO INCLUDE ONLY EMERGENCY REPAIRS. IN A LETTER, WHICH I WOULD LIKE TO SUBMIT FOR THE RECORD, THE AREA'S SUPERINTENDENT REQUESTED $468,000 IN FUNDS SO THAT NECESSARY REPAIRS CAN BE MADE AND THEFT AND FIRE PROTECTION SYSTEMS BE INSTALLED.

THE SIGNIFICANCE OF LAWNFIELD HAS BEEN AMPLY CATALOGUED BY THE FEDERAL GOVERNMENT. GARFIELD, AS A DARK HORSE CANDIDATE FOR THE PRESIDENCY, CONDUCTED HIS FAMOUS PORCH CAMPAIGN FROM THE HOUSE. THE EXCITEMENT IN MENTOR AND SURROUNDING TOWNS WAS AT A HIGH PITCH AS THIS SMALL OHIO TOWN BECAME THE THEATRE FOR HIS PRESIDENTIAL BID. CITIZENS FROM AROUND THE NATION VISITED LAWNFIELD TO MEET WITH THE CANDIDATE.

TO FACILITATE HIS EFFORT, PRESIDENT GARFIELD TRANSFORMED THE UPSTAIRS LIBRARY INTO A CAMPAIGN ROOM AND INSTALLED A TELEGRAPH OPERATION IN A SMALL CABIN BEHIND THE LARGE HOUSE. IT WAS FROM LAWNFIELD THAT HE RAN FOR PRESIDENT WHILE HIS SUPPORTERS TRAVELLED THE COUNTRY GATHERING VOTES.

TRAGICALLY, GARFIELD'S TENURE IN LAWNFIELD WAS NOT LONG, ENDED BY AN ASSASIN ONLY SIX MONTHS AFTER HIS INAUGURATION. WHILE HE WAS BORN IN NEARBY ORANGE, OHIO, MUCH OF HIS ADULT LIFE

WAS SPENT TRAVELLING. IT WAS ONLY IN 1876 THAT HE DECIDED TO SETTLE IN MENTOR, OHIO AND PURCHASE LAWNFIELD SO THAT HIS CHILDREN WOULD HAVE A PERMANENT HOME.

DURING THOSE NEXT FOUR YEARS, BEFORE HE BECAME THE REPUBLICAN PRESIDENTIAL CANDIDATE, GARFIELD SPENT MUCH OF HIS TIME RESTORING AND EXPANDING THE HOUSE AND ITS FARM. AS A RESULT OF HIS WORK, LAWNFIELD IS OF PARTICULAR SIGNIFICANCE TO THOSE INTERESTED IN JAMES GARFIELD. MUCH OF THE CHANGES MADE ON THE HOUSE WERE DONE WITH HIS OWN HANDS OR UNDER HIS DIRECT SUPERVISION. NOT ONLY DOES THIS GIVE US AN OUTSTANDING IDEA OF HIM AS A MAN, BUT IT PRESENTS THOSE WHO VISIT THE HOUSE WITH A UNIQUE VIEW OF LIFE AS IT WAS LIVED IN THE LATE 1800S.

SIX MONTHS AFTER HIS INAUGURATION JAMES GARFIELD WAS SHOT, AND AFTER TWO MONTHS HE DIED. HIS LEGACY, WHICH SPANNED YEARS AS A GENERAL IN THE CIVIL WAR, SERVICE IN THE U.S. HOUSE, DURING WHICH TIME HE SPENT FOUR YEARS AS CHAIRMAN OF THIS AUGUST COMMITTEE, AND IN THE SENATE, IS NOW CONTAINED IN LAWNFIELD.

I URGE YOU TO SUPPORT THIS REQUEST FOR APPROPRIATION SO THAT OUR CITIZENS WHO VISIT THE FORMER PRESIDENT'S HOME, CAN FULLY APPRECIATE LAWNFIELD. THANK YOU VERY MUCH FOR ALLOWING ME TO APPEAR BEFORE YOU TODAY.

THURSDAY, APRIL 17, 1986.

NATIONAL PARK SERVICE

WITNESS

HON. NANCY L. JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mr. YATES. Mrs. Johnson, glad to have you.

Mrs. JOHNSON. Thank you very much. It is a pleasure to be here. I appreciate the good work you and your subcommittee do.

Mr. YATES. Thank you very much. Because you are so nice to us, we will introduce your statement into the record.

Mrs. JOHNSON. Thank you very much.

My concerns today are much like my concerns other years. You are one of the few committees of the Congress that does what we exhort businesses to do and what we exhort ourselves to do, and that is long-term planning, looking into the future as to what kind of Nation we would like our children and grandchildren to inherit, and planning those expenditures that are necessary to accomplish goals that we all value.

In my district, the effect of your work has been very dramatic. We have, in the last year, made giant strides toward meeting the Appalachian Trail sections in Connecticut and now have only nine more miles to go, having protected 26 miles, in large measure through the ability of the Park Service, to participate with the private sector in some very creative development approaches that were made possible by the existence of the Federal dollars to leverage some large land purchases that then were broken up, and the Federal interest was maintained and returned to local communities to increase the property tax base.

So we are making tremendous strides in Connecticut in achieving some goals not only of importance to us but of importance to the Nation when we move toward completing the Appalachian Trail, and it is a direct result of this committee's steadfastness in good times and in bad in supporting that kind of national endeavor, and I commend you on it.

I just want you to know how much I and my constituents appreciate your work. Just as important, and I go into more detail in my testimony——

Mr. YATES. We will read it.

Mrs. JOHNSON. One of the things I mention in my testimony is this project, unlike some of our Federal programs, is a project that is well defined, has a plan and so our expenditures very clearly have a benefit that will not be lost. Sometimes we start here and start there, and we actually, in the end, don't get a dollar-for-dollar benefit from our efforts. We certainly do in the work of the Department of the Interior in such projects as completing the Appalachian Trail and some of the equally meritorious projects of greater importance to other parts of the Nation.

Another thing that has been of great importance to us in New England, particularly to me in Connecticut, has been the National Park Service's river conservation technical assistance program.

Over the last year, this program has offered invaluable assistance to us in developing a conservation strategy for the Farmington River, which runs through my district and is truly one of the wild and scenic rivers of New England and is very New England in the sense it is very close to large metropolitan areas, therefore, is under heavy development pressure, has been maintained in a sort of wild sense because so much state land and state forests abut it, but cannot withstand future pressures without very careful and very knowledgeable planning.

The Federal Government has not only provided technical assistance in terms of dollars but in terms of a third party perspective and a perspective that focuses frankly more effectively often than local interests do on the long-term national interests and the preservation of such resources.

And I am pleased to say through the information developed as a result of the technical assistance grant, we now are moving on to possible designation as part of the wild and scenic rivers system, and indeed the work that has gone on around the Farmington River has, in my estimation, been an example of the very best kind of Federal-state partnership, local partnership our Federal system of democracy makes possible.

And I commend you on your support of these important programs and even in these Gramm-Rudman days, it is important to preserve those things, particularly that are a part of a well thought out overall plan, and where dollars expended will definitely have a future benefit that will make the difference between our Nation being one kind of a Nation in the future or being a different kind of Nation in the future.

Mr. YATES. Thank you very much. We appreciate your testimony.

Mrs. JOHNSON. Nice to be with you.

[The statement of Nancy L. Johnson follows:]

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COMMITTEE ON
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HOSPITALS AND HEALTH CARE

SELECT COMMITTEE ON
CHILDREN, YOUTH, AND FAMILIES

Statement of
Nancy L. Johnson
Member of Congress from Connecticut
April 17, 1986

Good afternoon, Mr. Chairman, members of the subcommittee. I appreciate this opportunity to again testify before you on two subjects of great interest to me and my constituents in northwest Connecticut; namely, the Appalachian Trail and the National Park Service's river conservation Technical Assistance Program.

Mr. Chairman, the Appalachian Trail is nothing less than a national treasure and I know you share the goal of prompt completion of the 2,100 mile route from Maine to Georgia. The Trail exemplifies a grand commitment to something so important to America: an inexpensive means of preserving open spaces and encouraging not only healthful exercise but deeper appreciation of natural surroundings.

Through cost-effective land purchases and scenic easement agreements, the National Park Service, in cooperation with groups like the Appalachian Trail Conference and the Appalachian Mountain Club, is nearing the end of this ambitious project. In Connecticut, for example, the Park Service has protected over 26 miles of Trail property and has only to lock up another 9 miles before completion.

I was very pleased to play a small role in the recent purchase of the Stanley Works property that includes 5 miles of Trail along the Housatonic River. Protection of the Appalachian Trail in this area - through the picturesque and quintessentially New England towns of Kent, Cornwall, and Sharon - has been widely praised and represents conservation of land critical to the Trail's magnificence in Connecticut. This is preservation at its best.

All of us are painfully aware of the effect that the Gramm-Rudman legislation has had on federally funded programs and, as one who voted for it with good reason, I cannot sit here today and ignore the need for fiscal responsibility and ask your committee for excessive funding for the Trail. Yet, even at last year's appropriation of 6.5 million dollars, this is a very, very cost-effective program and, unlike so many other federal endeavors, has a well-defined plan for completion.

Mr. Chairman, the Appalachian Trail is one of those inexpensive federal investments that will reap huge dividends well into the future. With development pressures growing daily and land values skyrocketing, especially in my area, the sooner we can make these remaining purchases, the fewer dollars we have to commit.

MORE

Mr. Chairman, I trust that you and your committee colleagues will agree with the importance of continuing the Appalachian Trail and I urge you to provide full funding for fiscal year 1987.

Likewise, Mr. Chairman, I want to reiterate my strong support for full funding for the National Park Service's river conservation Technical Assistance Program. Over the last 3 years, this program has offered invaluable assistance in developing a conservation strategy for the Farmington River in my district. Working with town and state officials, local citizens, and the Farmington River Watershed Association, the Park Service has helped us develop a consensus on the need for protection of this beautiful river. Given the competing claims on the Farmington, such a consensus is no small achievement.

I am pleased and proud to add that my bill to designate the West Branch of the Farmington River as eligible for study under the Wild and Scenic Rivers Act recently was adopted by the House and was the subject of a hearing in the other body last Friday. I think this success emphasizes the importance of federal-state-local cooperation and, I might add, at very reasonable cost shared by all parties.

MORE

The history of Park Service involvement with the Farmington is a textbook example of how Section 7 of the Wild and Scenic Rivers Act is supposed to work: assessment of a river's values, development of a constituency and consensus, and recommendation for wild and scenic designation where appropriate.

Mr. Chairman, I am deeply appreciative of the Park Service's work with this program in my district, and I urge you and your committee colleagues to look kindly upon it when you mark up this appropriations measure.

Thank you very much for giving me this opportunity to present my views.

END

Thursday, April 17, 1986.

SAN FRANCISCO BAY NWF

WITNESS

HON. DON EDWARDS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. **Yates**. Mr. Edwards. Glad to have you, Mr. Edwards. Your statement may be made a part of the record.

Mr. **Edwards**. Thank you very much, Mr. Chairman. I will not take a great deal of time because the statement I know you will read so carefully. I appreciate it.

Mr. **Yates**. You want some additions to the land that we gave you money to buy in San Francisco Bay some years ago, is that correct?

Mr. **Edwards**. In 1972, 23,000 acres was authorized, we have only been able to buy 17,500 acres. There are wetlands left. When we started out, there was 200,000 acres of wetlands a few years ago, development has taken all of them but 37,000. They are all targeted by cities and by developers, and so it is rather urgent.

It is the most wonderful wildlife refuge in the United States, right in the middle of the San Francisco Bay which has already been filled by a third. It is really just a scandal what has been done to the San Francisco Bay, and the only thing that protects it is the San Francisco Bay Wildlife Refuge.

Mr. **Yates**. We will try to be helpful. Thanks for coming.

Mr. **Edwards**. When you come out, you have to go. They have two environmental centers. You can walk out into the Bay and see all the birds and wildlife and otters. It is really great.

[The statement of Don Edwards follows:]

Statement
of
Congressman Don Edwards
Submitted
to the
Subcommittee on Interior
# of the
Committee on Appropriations

April 17, 1986

Congressman Don Edwards

(San Francisco Bay National Wildlife Refuge)

Mr. Chairman, I am pleased to have this opportunity to testify today to request appropriations from the Land and Water Conservation Fund to complete the San Francisco Bay National Wildlife Refuge. I am grateful for the support this subcommittee has always given to the refuge. Since 1972 when the project was originally authorized, we have consistently received funding from you.

I am here today making this personal appeal because I want the San Francisco Bay National Wildlife Refuge completed. When Congress first created the refuge in 1972, we authorized a land area of 23,000 acres. Currently, the refuge encompasses 17,500 acres. By appropriating the $1.5 million that remains available for the project, we can hopefully purchase over 2,000 additional acres. This would bring us closer toward completing the refuge.

Mr. Chairman, when I first came to Congress in 1963 I was alarmed at the loss of wildlife and open space in the South Bay. This environmentally rich and sensitive area was being developed much too quickly. The waters had become polluted and nearly one-third of the Bay had been filled in or diked off from tidal action. Reversing this destructive trend by preserving the valuable wildlife and habitat of the Bay was one of my first and highest priorities.

With the support and dedication of local citizens and elected officials, we were able to turn our plan into a reality. We achieved a great success in 1972 when my legislation to establish the 23,000 acre San Francisco Bay National Wildlife Refuge was enacted.

The San Francisco Bay National Wildlife Refuge is truly a spectacular place. It protects the delicate wetlands that form a variety of special environments. These wetlands offer flood control and water purification benefits and support a rich diversity of wildlife. The refuge is a prime nesting and feeding area for migratory shoreboards wintering on the U.S. Pacific Coast. It also preserves a hauling ground for the largest colony of harbor seals in San Francisco and habitat for several endangered and threatened species, including the California least tern, the California clapper rail, the peregrine falcon and one of my favorites -- the salt marsh harvest mouse.

The refuge also serves an important educational function. The Environmental Education Center, which serves as a site for outdoor investigations of the Bay environment, is particularly popular among the area's school children. The

Interpretive Center houses exhibits and naturalist programs, and enthusiastic refuge officials and volunteers are always available for guided walks and other activities. People of all ages love to visit this natural area where they can learn about the Bay environment, observe and photograph wildlife, and fish and hike.

What is particularly marvelous about the refuge is that it provides open space in the heart of an urban area. This makes it easily accessible to the local population. Close to five million people live within an hour's drive of the refuge. And, more than one million people are expected to visit the area each year upon completion of the anticipated land acquisition.

Because the refuge is located in a major metropolitan area, development in adjacent areas presents a continuing threat. The San Francisco Bay once contained almost 200,000 acres of wetlands which were abundant with wildlife. Of those original 200,000 acres of wetlands, only 37,000 now remain. Today, virtually every wetland parcel in the South Bay has been targeted for urban development.

This vast development is encroaching on the refuge and threatening the serenity and sensitive ecosystem of the area. And while efforts have been made to urge governmental agencies with authority over wetlands to do more to protect them, the morass of overlapping jurisdiction has been so severe as to render their task virtually impossible. In the meantime, the wetlands continue to disappear.

If current development trends continue, I fear that all the remaining wetlands in the South Bay will vanish. That is why it is more important now than ever that we put more wetlands under the shelter of the San Francisco Bay National Wildlife Refuge. Completing the refuge, as originally envisioned, is the first step toward accomplishing this goal. The Fish and Wildlife Service and national conservation organizations, I am proud to announce, share my commitment and have listed this project as a top priority.

By appropriating the remaining $1.5 million we can come closer toward finishing the refuge. With this money we can ensure that over 2,000 acres of valuable wetlands are preserved. My sincere hope for future years is that new authority will be granted and the area enlarged even more. In fact, local citizens are exploring options for expanding this precious wildlife area.

Mr. Chairman, thank you again for allowing me to come before your subcommittee today. I am sure that you understand the critical situation facing the San Francisco Bay, and I look forward to our continued work together on this issue.

THURSDAY, APRIL 17, 1986.

OUTER CONTINENTAL SHELF OIL AND GAS LEASING

WITNESS

HON. LINDY BOGGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mr. **YATES**. I will. Thank you very much.

Mr. Barnard, we will be glad to hear you.

Mr. **BARNARD**. I have to wait until my testimony comes.

Mr. **YATES**. We will put that in the record when it comes. Tell me what you want us to do.

Mr. **BARNARD**. Better wait and let me get the testimony. It will just be a second.

Mr. **YATES**. Mrs. Boggs. Just because you showed up, we are going to let you put your statement in the record.

Mrs. **BOGGS**. Thank you very much.

Mr. **YATES**. Which of the Fish and Wildlife lands do you want me to buy?

Mrs. **BOGGS**. I am not selling anything. May I proceed?

Mr. **YATES**. We have been waiting breathlessly.

Mrs. **BOGGS**. I appreciate the opportunity to appear before you today and to discuss two very important energy-related subjects with you. They are the strategic petroleum reserve and the development of the oil and gas potential of our Outer Continental Shelf region.

Mr. **YATES**. You are in favor of both of those.

Mrs. **BOGGS**. Yes.

Mr. **YATES**. Your wish has been granted with respect to the first. That is in the supplemental appropriations bill.

Mrs. **BOGGS**. I wish to compliment you for your leadership role you have played in the debate with the administration over its efforts to defer funding appropriated for the strategic petroleum reserve sites.

Mr. **YATES**. You don't want to compliment us on establishing the moratorium?

Mrs. **BOGGS**. I would like to speak against that, Mr. Chairman.

Mr. **YATES**. Okay.

Mrs. **BOGGS**. The recent decision, though, of the Energy Department, I think, was certainly due to your efforts, and we really are most appreciative of your recognition of the important part the strategic petroleum reserve played and continues to play, not only on national energy planning, but also in our national defense and our foreign economic policy.

In addition, I would like to talk to you about another issue that relates to energy independence. It is my belief we must not impose any unnecessary impediments on the orderly development of our Outer Continental Shelf oil and gas resources.

Given the soft world energy markets, some might argue the vigorous pursuit of the Outer Continental Shelf is not timely, but history tells us this is faulty logic.

I would like to bring your attention a news item on Tuesday in which the former Energy Secretary, Jim Schlesinger, said our retaliation against Libya would have been impossible without the world oil glut that has reduced the possibility of Middle East boycotts.

Dr. Schlesinger predicted, with falling oil prices, which lower new drilling and production in this country, the United States will be more than 50 percent dependent upon foreign oil by 1990.

Already, the Energy Department has reported that oil imports amounted to 34 percent of U.S. consumption in January, compared with only 27 percent the year before.

And prior to the 1973 Arab oil embargo, the figure was 35 percent.

So, we are just one percent below where we were all those years ago, before the various kinds of programs that we put into place, become more energy independent and conservation measures we have employed.

These are disturbing figures, Mr. Chairman, and we can't wait for rising prices and demand at the gasoline pump to seek new reserves.

It often takes eight to ten years to discover, develop, and bring to market new domestic reserves, particularly from those areas offshore that appear to hold the greatest promise.

Before major new funds could get to market, we could suffer shortages and many years of high prices, and we cannot afford economically or in our foreign policy consideration to leave our energy needs in the hands of OPEC manipulations.

The Louisiana Gulf Coast is one of the most productive off-shore oil and gas areas in the world.

Louisiana's off-shore Federal waters produce one-fifth of the natural gas and one-tenth of the oil produced in this country.

And our experience off-shore has taught us how to deal with sensitive coastal environments, and in addition, we have learned fisheries can flourish even when extensive exploration is pursued in their midst.

Oil and gas exploration and production directly accounts for 24,000 jobs, directly, in New Orleans and 60,000 jobs in the coastal areas of Louisiana.

Mr. YATES. So, there won't be a moratorium there.

Mrs. BOGGS. And an estimated 140,000 jobs are related in some way to the oil and gas industry. And our people and our companies work the oil fields throughout the world.

Times are really bad in my area, Mr. Chairman. The depressed states' oil and gas industry has contributed significantly to Louisiana's 13.2 percent unemployment, the highest in the Nation.

Exploration and development everywhere in the Federal offshore lands, whether off Louisiana, Alaska, or California, is a local economic issue to my constituents.

Last summer——

Mr. YATES. If you will permit me, I would have thought that further non-development of our oil resources would help put your people back to work.

Mrs. BOGGS. No, Mr. Chairman, because our people work in the off-shore explorations wherever they may be.

Mr. YATES. In Louisiana.

Mrs. BOGGS. No, but they——

Mr. **Yates**. They travel to California?

Mrs. **Boggs**. Yes. All over the world. They do.

Mr. **Yates**. Are we talking about the ordinary oil worker?

Mrs. **Boggs**. Yes. The companies, as well.

Mr. **Yates**. I know the companies do.

Mrs. **Boggs**. We have, as you well know, not only the drilling, but the construction of the rigs and all of the supply opportunities and so on.

Last summer, the Appropriations Committee found fit to eliminate for the first time in four years the moratorium on exploration in Federal waters off the California coast, and it was an unpopular decision among some of our colleagues.

But because of the profound impact off-shore development has on my area and because of our experience with environmental protection and the national interest in energy development, I feel that the people of Louisiana have a very real stake in the future of development in California OCS.

That is why I am here today. And last year, Congress did agree, of course, to establish the larger group to work with the Interior Secretary to plan for the future of the California OCS region, and that advisory group has met with the Secretary and progress seems to have been made.

And I would urge the Secretary to take their advice and counsel into consideration in formulating the department's five-year plan.

This is the type of local input that was expected under the 1978 Outer Continental Shelf Lands Act amendments.

However, that act did not contemplate any kind of local vote to offer the orderly rational development of our off-shore resources.

So, in formulating the 1987 Interior appropriations bill, I hope that we will keep our Nation's energy, economic, and foreign policy considerations in mind.

We can't afford to lock up any areas of high energy potential with a blanket moratorium no matter how temporary.

Let's leave the development of the California OCS to discussions and not to legislation.

Mr. **Yates**. Thank you very much. We appreciate your very eloquent statement.

Mrs. **Boggs**. Thank you very much, Mr. Chairman.

[The statement of Lindy Boggs follows:]

TESTIMONY OF
REPRESENTATIVE LINDY BOOGS

SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES
THURSDAY, APRIL 17, 1986

Mr. Chairman:

I appreciate this opportunity to appear before the Subcommittee to discuss two very important energy related issues: the Strategic Petroleum Reserve and the development of the oil and gas potential of our Outer Continental Shelf region.

You and the other members of this Subcommittee are to be commended for the leadership role you have played in the debate with the Administration over its effort to defer funding appropriated for the construction of various Strategic Petroleum Reserve sites. The recent decision of the Energy Department to release the funds in question came as a result of your efforts to convince the Administration that withholding of the funds in question constituted an illegal impoundment.

In view of the current Middle East troubles and the economic stability of other oil producing countries, the Strategic Petroleum Reserve should continue to play an important role in our national energy planning. It makes good sense to have available capacity to stockpile foreign oil while international prices for crude remain low.

In addition, with the decline of world and domestic oil prices, the ability of debtor nations to repay loans comes into question. Should these nations default on loans made by the World Bank, the economy of the United States will also feel the impact. Buying oil from certain friendly producing nations, Mexico, for example, during such a period makes more sense than massive direct economic aid for which we would receive nothing tangible in return. Therefore, continuing the fill of the Strategic Petroleum Reserve makes for good foreign policy.

Finally, the Energy Department has received very attractive low bids on construction of the project. Some have been 15 to 25% below normal for projects of this size. Because of the current situation in the oil field construction industry, it is extremely doubtful that these facilities could be built in the future for today's "bargain basement" price, so it makes good economic sense to continue the construction of planned storage capacity.

I am certain the Administration has not given up its efforts to halt the Strategic Petroleum Reserve in its tracks. I look forward to working under your leadership to convince our colleagues and the Administration that continuing this program is good economic policy, energy policy and foreign policy.

The other reason I am appearing today also relates to energy independence. It is my belief that we must not impose any unnecessary impediments on the orderly development of our Outer Continental Shelf oil and gas resources. Given the soft world energy market, some might argue that now is not the time to vigorously pursue exploration of our OCS. History tells us that logic is very wrong.

I don't know if your saw the news item on Tuesday in which former Energy Secretary Jim Schlesinger said that our retaliation against Libya would have been impossible without the world oil glut that has reduced the possibility of Middle East oil boycotts. Dr. Schlesinger predicted that with falling oil prices, which lower new drilling and production in that country, the United States will be more than 50 percent dependent on foreign oil by 1990. Already, the Energy Department has reported that oil imports amounted to 34 percent of U.S. consumption in January, compared with 27 percent in January a year ago. Prior to the 1973 Arab oil embargo, the figure was 35 percent and before the 1978 Iranian revolution imports represented 43 percent of U.S. consumption.

I find these figures to be most alarming. The United States is setting itself up for the same economic fall we experienced in 1974 and 1979. One would think we would have learned.

We cannot wait for rising prices and demand at the gasoline pump to seek new reserves. When the oil glut disappears, as it surely will, and when prices begin to rise again, as they surely will, it will be too late to seek the petroleum supplies we will need. It often takes eight to ten years to discover, develop, and bring to market new domestic reserves, particularly from those areas offshore that appear to hold the greatest promise.

The Interior Department has estimated that Federal lands may contain as much as 85 percent of the Nation's remaining crude oil and 40 percent of its remaining natural gas. Yet only about one-fourth of federal onshore lands and some 3 percent of its offshore lands have been leased for petroleum exploration and production.

The Louisiana Gulf Coast is one of the most productive offshore oil and gas areas in the world. Almost half of all offshore producing wells in the world are located off Louisiana's coast. We have more than 13,000 offshore wells and about 3,600 platforms. In recent years, Louisiana's offshore Federal waters produces one-fifth of the natural gas and one-tenth of the oil produced in this country. Our experience offshore has taught us how to deal with sensitive coastal environments. In addition, we have learned that fisheries can flourish even when intensive exploration is pursued in their midst.

Oil and gas exploration and production directly accounts for 24,000 jobs in the New Orleans area and a total of 60,000 jobs in coastal Louisiana. An estimated 140,000 jobs are related in some way to the oil and gas industry. Our people and our companies work the oil fields throughout the world.

Times are bad today in my area. To borrow a cliche, "When the oil and gas industry sneezes, New Orleans catches a cold." The depressed state of the industry has contributed significantly to Louisiana's 13.2 percent unemployment rate, the highest in the Nation. Exploration and development everywhere in the Federal offshore lands, whether off Louisiana, Alaska or California, is a local economic issue to my constituents. Any unnecessary impediment to the rational development of Federal offshore reserves will hurt the economy of my District and will add to the unemployment roles in my States.

Last summer, the Appropriations Committee saw fit to eliminate, for the first time in four years, the moratorium on exploration in Federal waters off the California coast. It was an unpopular decision among some of our colleagues. They felt that California interests alone should make decisions regarding the development off their coast.

Because of the profound impact offshore development has on my area and because of our experience with environmental concerns, and the national interest in energy development, I feel the people of Louisiana have a very real stake in the future development of the California OCS. That is why I am here today.

Last year, Congress did agree to establish an advisory group to work with the Interior Secretary to plan for the future of the California OCS region. The California Advisory Group is composed of Members of Congress from California andthe respective Congressional committees of jurisdiction. To date the Advisory Group has been briefed by the Mineral and Mining Service, local government officials, environmental groups and industry.

Progress seems to have been made and I would urge that the Interior Secretary will take their advice and counsel into consideration in formulating the Department's five year plan for OCS development. This is the type of local imput that was expected under the 1978 Outer Continental Shelf Lands Act Amendments. However, that Act did not contemplate any kind of local veto over the orderly, rational development of our offshore resources. In formulating the FY 1987 Interior Appropriations bill, I certainly hope that we will keep our Nation's energy, economic and foreign policy considerations in mind. We cannot afford to lock-up any areas of high energy potential with a blanket moratorium, no matter how temporary. Let us leave the development of the California OCS to discussions and not legislation.

THURSDAY, APRIL 17, 1986.

FISH AND WILDLIFE SERVICE

WITNESS

HON. DOUG BARNARD, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

Mr. YATES. Mr. Barnard is here. Go ahead. Your statement may be part of the record.

Mr. BARNARD. Thank you very much.

Mr. Chairman, I appreciate the opportunity to speak at this hearing today on behalf of the Southeastern Cooperative Wildlife Disease Study program, normally known as SCWDS.

Mr. YATES. How do you pronounce that?

Mr. BARNARD. "Swasdas. Swasdas."

I know that you have received numerous letters from Congressmen, state veterinarians, and directors of the Department of Natural Resources across the country testifying to the great importance of this program.

I want to add my vocal support, in addition to my letter, for the SCWDS.

The SCWDS is unique in that it is the only organization that coordinates efforts between local, state and Federal government to stop the spread of disease between wild animals and domestic livestock and between animals and humans.

It provides vital services to the Fish and Wildlife Service and to the United States Department of Agriculture, and both agencies have been very complementary of their work.

Not only does the SCWDS respond to distress calls from their 13 member organization, but they are on call at all times to respond to the urgent requests from anywhere in the country to help research, eradicate and prevent further spread of diseases between all sorts of animal and human life.

In fact, they have helped Departments of Game and Fish Natural Resources, Conservation, and Parks and Wildlife in all 50 states.

Since their beginning in 1957, they have addressed diseases in quails, turkeys, deer, pheasants, raccoons, pigs, cattle, ducks, and many other animals.

In addition, they have provided assistance to over 175 other organizations such as major universities, zoos, United States Army, and private groups like Ducks Unlimited and Audubon Society.

This year, as he has the last several years, the President has recommended elimination of the $225,000 that Fish and Wildlife supplies to SCWDS claiming that it is a "state or local program".

However, as evidenced by my earlier comments, it is obvious that SCWDS meets a national need and is deserving of Federal funds.

This cooperative approach is the most cost-efficient means of providing high quality wildlife disease expertise to responsible agencies.

By sharing facilities, vehicles, scientific equipment, salaries and other costs, each sponsoring agency has access to wildlife disease capabilities far more sophisticated and responsive than could be afforded individually.

Animal disease problems are of mutual concern to wildlife managers, outdoor recreationists, farmers, managers, veterinarians, and physicians.

SCWDS serves as common ground where wildlife experts work hand-in-hand with private, state and Federal authorities toward a common goal.

We have been very successful in the past in having this money restored because the members of the House and Senate realize the important work that SCWDS carries out.

Of course, $225,000 is like a pot of gold to those who serve in the SCWDS. I would urge your most earnest consideration of restoring this small amount so that SCWDS can continue working to keep our animal and human population safe and healthy.

Thank you for the opportunity to present my comments.

Mr. YATES. Thank you very much.

[The statement of Hon. Doug Barnard, Jr. follows:]

Statement by

Doug Barnard, Jr.

Congressman, 10th District of Georgia

before the

Subcommittee on Interior Appropriations

of the

Appropriations Committee

House of Representatives

April 17, 1986

Mr. Chairman, I appreciate the opportunity to speak at this hearing today on behalf of the Southeastern Cooperative Wildlife Disease Study program (SCWDS.) I know that you have received numerous letters from congressmen, state veterinarians, and directors of the Department of Natural Resources across the country testifying to the great importance of this program. I want to add my vocal support, in addition to my letter, for the SCWDS.

The SCWDS is unique in that it is the only organization that coordinates efforts between local, state and federal government to stop the spread of disease between wild animals and domestic livestock and between animals and humans. It provides vital services to the Fish and Wildlife Service and to the United States Department of Agriculture, and both agencies have been very complimentary of their work.

Not only does the SCWDS respond to distress calls from their thirteen member organization, but they are on call at all times to respond to the urgent requests from anywhere in the country to help research, eradicate and prevent further spread of diseases between all sorts of animal and human life. In fact, they have helped Departments of Game and Fish Natural Resources, Conservation, and Parks and Wildlife in all 50 states. Since their beginning in 1957, they have addressed diseases in quails, turkeys, deer, pheasants, raccoon, pigs, cattle, ducks, and many other animals. In addition, they have provided assistance to over 175 other organizations such as major universities, zoos, the United States Army, and private groups like Ducks Unlimited, and the Audobon Society.

This year, as he has the last several years, the President has recommended elimination of the $225,000 that Fish and Wildlife supplies to SCWDS claiming that it is a "state or local program." However, as evidenced by my earlier comments it is obvious that SCWDS meets a national need and is deserving of federal funds. This cooperative approach is the most cost-efficient means of providing high quality wildlife disease expertise to responsible agencies. By sharing facilities, vehicles, scientific equipment, salaries and other costs, each sponsoring agency has access to wildlife disease capabilities far more sophisticated and responsive than could be afford individually. Animal disease problems are of mutual concern to wildlife managers, outdoor recreationists, farmers, veterinarians, and physicians. SCWDS serves as common ground where wildlife experts work hand-in-hand with private, state and federal authorities toward a common goal.

We have been very successful in the past in having this money restored because the members of the House and Senate realize the important work that SCWDS carries out. Of course, $225,000 is a small amount to those of us in

Congress who are used to dealing in millions and billions, but $225,000 is like a pot of gold to those who serve in the SCWDS. I would urge your most earnest consideration of restoring this small amount so that SCWDS can continue working to keep our animal and human population safe and healthy.

Thank you for the opportunity to present my comments.

THURSDAY, APRIL 17, 1986.

OUTER CONTINENTAL SHELF OIL AND GAS LEASING

WITNESS

HON. TOM LANTOS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. YATES. Tom Lantos, please come join us.

Mr. LANTOS. It is a pleasure.

Mr. YATES. Your statement may be made part of the record.

Tell us what it is you want from us.

Mr. LANTOS. Mr. Chairman, much as I enjoy seeing you in person, I deeply regret the need to testify again.

Mr. YATES. On what is this?

Mr. LANTOS. Off-shore drilling.

Mr. YATES. This is not Sweeney Ridge?

Mr. LANTOS. No, you have taken care of Sweeney Ridge, and I have full confidence you will take care of this.

Mr. YATES. Do you favor a moratorium or do you oppose it?

Mr. LANTOS. I will give you a guess, Mr. Chairman.

Mr. YATES. Tell us.

Mr. LANTOS. I oppose it, Mr. Chairman. I oppose it, Mr. Chairman, and I oppose it for all of the substantive reasons you are fully familiar with.

I also oppose it because last year we engaged in good faith negotiations with the Secretary. We announced at a historic meeting that we reached an agreement, and then the Secretary caved. He reneged on the agreement, and while discussions are going on they are unlikely to bring any constructive resolutions.

So, we again need to appeal to you and to your committee to give us a moratorium, because while the Secretary still may be different from Secretary Watt's style, the purpose, the ideological commitment, the goals, are the same.

We have no other option at the time but to make a respectful plea that you extend the moratorium.

Give us a moratorium.

Mr. YATES. We will do everything we can.

Mr. LANTOS. It is a great pleasure seeing you, Mr. Chairman.

Mr. YATES. Leave your statement.

It is a pleasure seeing you, Tom.

[The statement of Hon. Tom Lantos follows:]

BOB/test-ocs

STATEMENT OF THE HONORABLE TOM LANTOS

Member of Congress from California
Before the Subcommittee on Interior
of the House Committee on Appropriations
April 17, 1986

Mr. Chairman, I regret that I must appear before you today to urge action again on the controversial issue of drilling off the California Coast. Your subcommittee -- and you personally, Mr. Chairman -- have been most supportive in the past of the legitimate concerns of Californians to protect the unparalleled natural beauty of our magnificent coast from uncontrolled exploitation through oil and gas drilling.

Mr. Chairman, today I most emphatically and urgently request that you again impose a moratorium on oil and gas leasing by the Department of Interior along the California coast. In submitting this request, I know that you are already familiar with my reasons for opposing uncontrolled OCS leasing. Today, however, I would like to acquaint you with the recurrent problems experienced by the California congressional delegation as we have attempted to reach a negotiated solution with the Administration.

When Secretary Watt set about carving up the coastline with a recklessness that could not be curbed, talks were rejected and we resorted to moratoria to protect the coast. That recklessness, it now transpires, cost the government several billion dollars. As you are aware, a recent report from the General Accounting Office states that in Secretary Watt's headlong rush to auction off coastal waters, he sold the leases at bargain prices.

Last year, members of the California congressional delegation and Interior Secretary Donald P. Hodel entered into what we considered to be good-faith negotiations to meet both the needs of the oil industry and environmental concerns. After extensive discussions, we reached a historic agreement that satisfied the concerns to protect certain areas of the coast, but at the same time permitted limited drilling in less sensitive areas. At a public press conference last July, Secretary Hodel stated "I am pleased that our intensive good faith efforts to negotiate with the States on this difficult issue have created the environment in which the Congress has now acted fairly and equitably."

I regret to say, however, that Secretary Hodel went back on his word. While we held fast to our side our the bargain, the Secretary has claimed that our agreement is no longer valid.

Although I and many of my colleagues questioned how we could continue to negotiate with an Administration that had so clearly compromised its integrity, we continued -- and indeed are still attempting -- to reach an agreement following the new leasing proposals released earlier this year. The Department of Interior, however, has consistently failed negotiate in good faith. No agreement has been reached and none appears likely.

Time is running out. While making no serious effort to negotiate with the Congress, the Interior Department has issued a new draft leasing program which opens to leasing many sensitive areas of the California coast.

Mr. Chairman, the situation has assumed unprecedented gravity. We are engaged in negotiations with a Secretary who will not negotiate; the Administration is determined to push through its leasing plans in the face of clear opposition from virtually every coastal community in California. We are not engaged in a equal fight -- the odds are stacked against us by an Administration that is clearly ignoring the wishes of the people most directly involved. The only way to insure serious negotiations with the Department is to reimpose a one year moratorium. I respectfully request your support.

THURSDAY, APRIL 17, 1986.

CAPE CANAVERAL NS

WITNESS

HON. BILL NELSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. YATES. Mr. Nelson. We have been waiting for you. How are you?

Mr. NELSON. I am doing fine.

Mr. YATES. Is this for the road?

Mr. NELSON. Yes, sir.

Mr. YATES. One for the road.

Mr. Nelson, your statement may be made part of the record.

Mr. NELSON. I appreciate it.

Mr. YATES. We are very much aware of your very earnest and constructive efforts over the years to obtain favorable action from this committee in connection with the road on NASA property to the Playalinda Beach.

Does it come from Titusville or is it just outside the NASA property?

Mr. NELSON. The road originates at the Titusville causeway. It is called Beach Road, and it goes straight to the beach.

Mr. YATES. I was there a few weeks ago. I saw the NASA launching pads. We drove down the road. This road, Beach Road, which as I remember it is about a mile from the "B" launching pad, or is it "A" launching pad?

Mr. NELSON. Pad "B" is the northernmost launching pad, pad 39-B.

Mr. YATES. That is right, pad 39-B. As proposed by your statement and your testimony, the sum of, I think, $6 million will be made available for moving the road—well, really exchanging with the railroad that serves NASA now and has a track parallel for a great distance, a great part of the area using that part of the road bed for a new road which would go to the beach and substituting the present road that is the road bed for the railroad.

And the reason for that is that NASA's regulations call for protecting the public from possible damage attributable to either a launching or preparation for a launching, and the explosion for which many go as far as a mile away and prevent casualties.

The new road will move the distance by another mile and a half, as I remember, over to the roadway, is that correct?

Mr. NELSON. It is about three-quarters of a mile.

Mr. YATES. Three-quarters of a mile over to that roadway to a distance of about two and a quarter miles?

Mr. NELSON. I beg your pardon. I was talking about the distance. It will move it from a position of about a mile from pad "B". No—almost to a position from about two miles to a position of about three miles.

Mr. YATES. All right.

The situation now is that NASA has been so busy that approximately 200 or 220 days per year are closed—NASA requires the road to be closed because of preparation for launch.

With the new road, cutting off access to the beach by people because there is no other way that people can get to the Playalinda Beach unless they proceed a rather significant distance north to—what town was it?

Mr. **Nelson**. Up through New Smyrna Beach.

Mr. **Yates**. And then they can walk down to the Playalinda Beach.

Mr. **Nelson**. Which would be a walk of some 20, 25 miles.

Mr. **Yates**. The reason for the fact you have to put the road here in order to provide access to the beach is because of a series of lagoons called Mosquito Lagoons.

Mr. **Nelson**. Yes, sir.

Mr. **Yates**. And the environmental nature, in order to protect the environment there you could not build a causeway over these lagoons.

For all these reasons you are asking for $6 million. Is there something you want to add to what I have said?

Mr. **Nelson**. Mr. Chairman, I am indeed an honored member of Congress that the Chairman of this committee would recite from his memory the details of this access route to a valued national park.

Mr. **Yates**. I want to tell you, too, I walked out to the Laplya Beach and surveyed it, and it is just a beautiful beach, and I think it is unfortuante that it just happens to be where necessary NASA commitments are made for the space program.

My own feeling is that perhaps the right forum for this appropriation may be NASA. I am not saying it is. I am still investigating that question.

But whichever it is, I think that, ultimately, in view of the fact NASA will continue its experiments, something has to be done for the people of the area.

I will try to be helpful.

Mr. **Nelson**. Okay, sir.

I would only add this, that the reason for the road is not the explosions, because that is commensurate with a potential launch of the shuttle when the road and the beach would all be shut down, anyway, during the launch.

It is the question of the security perimeter of this launch vehicle into space for the Nation, and keeping the public outside of a three-mile perimeter so that the security of the vehicle from potential damage to the vehicle by those who might have dastardly designs, and that is the security perimeter set by the Department of Defense, and that is the reason for needing to put the road further away from the existing Beach Road.

Mr. **Yates**. That is a very cogent reason, and I am glad you brought it up.

Mr. **Nelson**. I followed up your request, and I had staff director Dick Mallow contact your staff director Neil Sigmon, and they are all in sinc on this question.

Mr. **Yates**. Good. I hope we can do it for you.

Mr. **Nelson**. The total appropriation is not $6 million. You appropriated $500,000 in fiscal year 1986. That is already done.

The question is for a million and a half for fiscal year 1987, and the balance of $4.2 million in fiscal year 1988.

Mr. **Yates**. Good. Thank you very much.

Mr. **Nelson**. Thank you, Mr. Chairman.

[The statement of Hon. Bill Nelson follows:]

Testimony of

CONGRESSMAN BILL NELSON

Subcommittee on Interior
Committee on Appropriations
U.S. House of Representatives

April 17, 1986

Mr. Chairman, I thought that it would not be necessary this year to appear before your Subcommittee in support of Playalinda Beach Road in my district. Unfortunately, the Department of Interior did not reflect your wisdom by requesting the second year of funding for this project.

Last year, you included $500,000 in the FY 1986 Interior Appropriations bill for plans and specifications for this project. This followed a practically unprecedented agreement by the National Park Service (NPS), U.S. Fish and Wildlife Service, NASA, and local Florida officials for a plan to assure access to the beautiful Canaveral National Seashore for nearly 300 days a year when the Space Shuttle resumes launches. Even with the current hiatus in launches, we still need to keep the road on schedule. Because the current schedule would have completion at the end of FY 1988, we would still be facing long periods of road closure during some of 1987 and all of 1988.

The approved plan involves switching the alignment of a railroad line into the Kennedy Space Center with an existing road. The NPS last year estimated the cost of the project at $6.2 million, with $1.5 million allocated for FY 1987. I am puzzled by the absence of a request by the NPS this year after their enthusiastic support last year -- not only agreeing to the plan, but to agree to include the project in their five-year-plan and to elevate the project to a high priority.

It would be a shame to lose access to this national treasure -- the Canaveral National Seashore. This breath-taking beach begins north of my district in Congressman Chappell's district and extends down through my district. The 60,000 acres in this incomparable national resource currently attracts about one million visitors a year with 600,000 coming to Playalinda Beach alone.

I am acutely aware of the budget crisis in which we find ourselves. However, seldom do we come across a proposal that satisfies so many involved parties. This project will improve the area environmentally and appears to be so logical, so straightforward, and so cost-effective that in any other budget year, there would be no question. Thank you, Mr. Chairman, for your graciousness and consideration.

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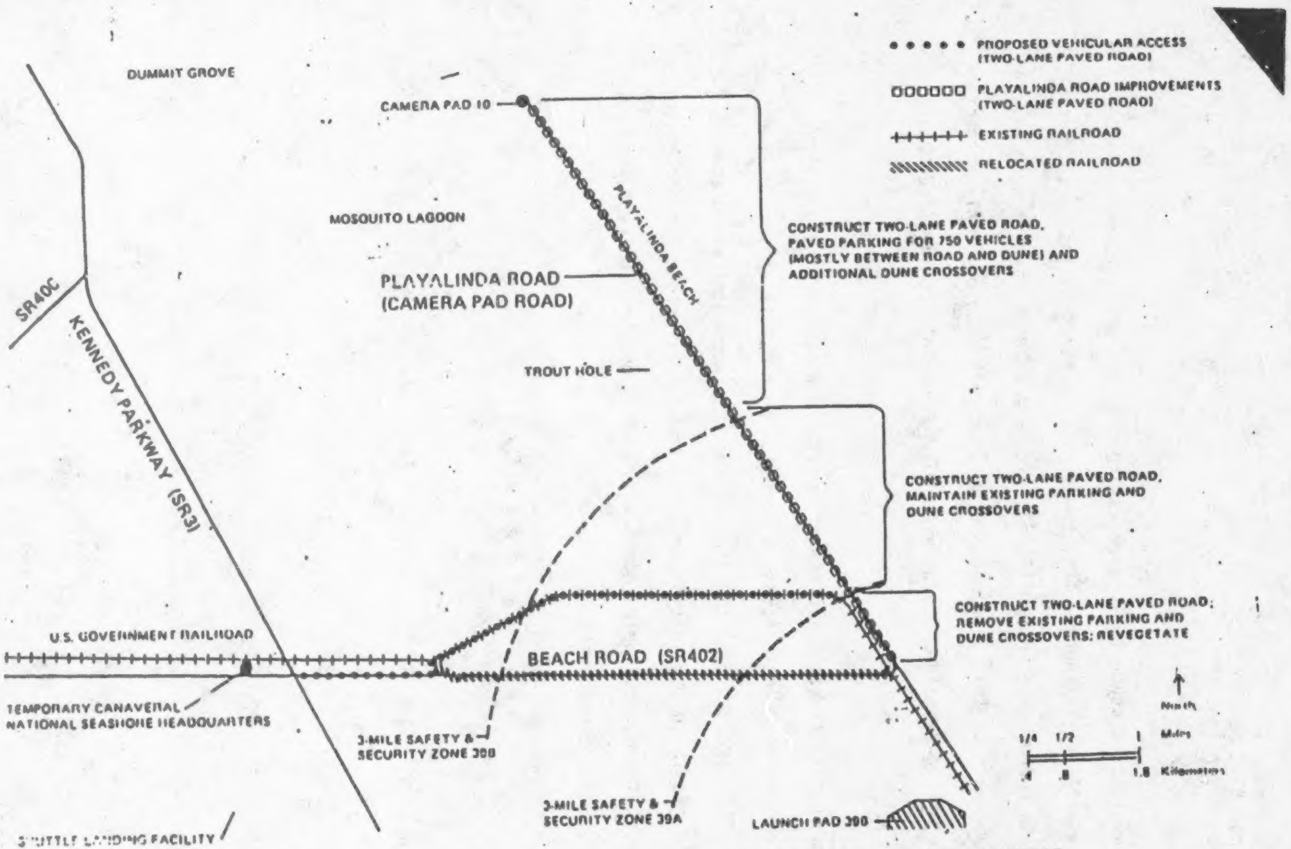
PROPOSED VEHICULAR ACCESS (TWO-LANE PAVED ROAD)
PLAYALINDA ROAD IMPROVEMENTS (TWO-LANE PAVED ROAD)
EXISTING RAILROAD
RELOCATED RAILROAD
DUMMIT GROVE
CAMERA PAD 10
MOSQUITO LAGOON
PLAYALINDA BEACH
PLAYALINDA ROAD (CAMERA PAD ROAD)
SR40C
KENNEDY PARKWAY (SR3)
TROUT HOLE
CONSTRUCT TWO-LANE PAVED ROAD, PAVED PARKING FOR 750 VEHICLES (MOSTLY BETWEEN ROAD AND DUNE) AND ADDITIONAL DUNE CROSSOVERS
CONSTRUCT TWO-LANE PAVED ROAD, MAINTAIN EXISTING PARKING AND DUNE CROSSOVERS
CONSTRUCT TWO-LANE PAVED ROAD; REMOVE EXISTING PARKING AND DUNE CROSSOVERS; REVEGETATE
U.S. GOVERNMENT RAILROAD
BEACH ROAD (SR402)
TEMPORARY CANAVERAL NATIONAL SEASHORE HEADQUARTERS
3-MILE SAFETY & SECURITY ZONE 39B
3-MILE SAFETY & SECURITY ZONE 39A
LAUNCH PAD 39B
SHUTTLE LANDING FACILITY
North
1/4 1/2 1 Miles
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PREFERRED ALTERNATIVE
PLAYALINDA BEACH ACCESS

CANAVERAL NATIONAL SEASHORE / FLORIDA
UNITED STATES DEPARTMENT OF THE INTERIOR / NATIONAL PARK SERVICE

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THURSDAY, APRIL 17, 1986.

OFFICE OF SURFACE MINING

WITNESS

HON. HOWARD C. NIELSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. YATES. Mr. Nielson. We are very glad to have you.

Mr. NIELSON. Thank you.

Mr. YATES. Your statement may be made part of the record.

Mr. NIELSON. Thank you.

Thank you for holding this hearing and allowing me a few minutes to talk about abandoned land mine reclamation.

The program is a joint effort. The program's objective is to reclaim abandoned mines and the coal operation based on per ton sales.

The revenues are placed in a non-lapsing Federal account. At this point, the service moves funds which reflects the need of the abandoned mine reclamation program.

Congress, then, appropriates the funding. After funding has been appropriated, the states are allocated a certain percentage used in their programs.

The remaining 50 percent is allocated to the Office of Surface Management.

I have two concerns, Mr. Chairman. Last year, the Congress appropriated only $190 million for state reclamation. This is approximately $100 million for state reclamation.

This is approximately $100 million less than the year before and $100 million less than requested.

As a result, most states have funding for the program reduced by a significant amount.

My understanding is the reason for this reduction was to encourage other states not then obligating their funds to get going and start using the funds consistent with the program.

Congress succeeded pretty much and states are moving in that direction, but unfortunately, states like Utah, which were doing an excellent job in obligating funding, have had to suffer proportionately along with other states that have not done that.

As a result, Utah received $2.9 million in 1985, and the proposal and recommendation was—your recommendation was $3.1 million.

However, it came out to $1.8 when it finally settled down, which is slightly less than a third, about a third of what they requested.

Utah received, as I say, one-third. The state was not able to complete or continue projects it had committed. As you know, we do have a lot of mines in the State of Utah.

The second concern I have relates to the timely notification to the states as to when these funds are cut. In Utah, they did not know until February 1986, five months into the fiscal year, that the funds would be approximately a little over a third of what they had the year before.

With half the year gone, most of the funds were committed before they knew there would be no more funds.

Money due in early December—they didn't let them know until mid-February. It seems to me there is no excuse for the two months lag.

We were slow in the Congress, but even after that it seemed to me they should have let Utah know.

I understand there has been a change in personnel. This is not a criticism of either the former or prospective new director.

It is a situation that has been difficult to the states. I have called the Office of Surface Mining expressing my concern regarding late notification.

I know you can't do anything about that situation, but it might help you understand what the frustration is.

I would like to request they carefully review the appropriation of this program. I would like to encourage the chairman to do as much as possible to get back the funding at the 1985 level, $290 million minus any reductions necessary because of Gramm-Rudman.

I support the level of funding because it is unfair to force this program to be funded at fiscal year 1986 levels and be subject to further cuts on top of that when the fiscal year 1986 funding did not adequately reflect budget requests.

I urge this committee to fund the program at the level recommended by the Office of Surface Mining.

Even at this level, the program's efforts will be seriously hampered. It is of utmost importance state offices be provided with some degree of certainty and some timely notification so they can properly conclude their planning.

I want you to know personally I support Gramm-Rudman; I voted for it. I believe we need to have fiscal restraint, and I am perfectly willing to have this program take its share of cuts along with other cuts.

I object to what seems to be a very disproportionate cut in this program, and it is particularly important in mining states in the West.

Mr. YATES. Thank you very much. We will keep that in mind. We appreciate your coming in.

[The statement of Hon. Howard C. Nielson follows:]

STATEMENT OF THE
HONORABLE HOWARD C. NIELSON
BEFORE THE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS
APRIL 17, 1986

MR. CHAIRMAN, I WANT TO THANK YOU FOR HOLDING THIS HEARING AND FOR ALLOWING ME TO TAKE A FEW MOMENTS TO TESTIFY REGARDING THE ABANDONED MINE LAND RECLAMATION PROGRAM WHICH IS ADMINISTERED BY THE OFFICE OF SURFACE MINING.

AS YOU KNOW, THIS PROGRAM IS A JOINT EFFORT BETWEEN THE FEDERAL GOVERNMENT AND THE STATES. THE PROGRAM'S OBJECTIVE IS TO RECLAIM ABANDONED MINES. FUNDING FOR THIS PROGRAM COMES FROM A FEE THAT COAL OPERATORS PAY BASED ON THEIR PER TON SALES. AS I UNDERSTAND THE PROGRAM, THE REVENUE FROM THESE FEES ARE PLACED INTO A NON-LAPSING FEDERAL ACCOUNT. AT THIS POINT THE OFFICE OF SURFACE MINING SUBMITS A BUDGET TO THE CONGRESS WHICH REFLECTS THE NEEDS OF THE ABANDON MINE LAND RECLAMATION PROGRAM (AMR). CONGRESS THEN APPROPRIATES FUNDING FOR THAT FISCAL YEAR. AFTER FUNDING HAS BEEN APPROPRIATED THE STATES ARE ALLOCATED FIFTY

PERCENT OF THE APPROPRIATION TO USE IN THEIR RECLAMATION PROGRAM. THE REMAINING FIFTY PERCENT IS ALLOCATED TO THE OFFICE OF SURFACE MINING TO BE USED IN FUNDING ADMINISTRATIVE COSTS RELATED TO THE PROGRAM, A NUMBER OF OTHER PROGRAMS AND THE REMAINING MONIES ARE PLACED INTO A SECRETARIAL DISCRETIONARY FUND AND USED TO PROVIDE FURTHER FUNDING TO STATES NEEDING ADDITIONAL ASSISTANCE.

MR. CHAIRMAN, I HAVE TWO CONCERNS. LAST YEAR THE CONGRESS APPROPRIATED $190 MILLION FOR STATE RECLAMATION. THIS WAS APPROXIMATELY $100 MILLION LESS THEN THE OFFICE OF SURFACE MINING HAD REQUESTED. AS A RESULT MOST STATES HAD THEIR FUNDING FOR THIS PROGRAM REDUCED BY A SIGNIFICANT AMOUNT. IT IS MY UNDERSTANDING MR. CHAIRMAN THAT THE PRIMARY REASON FOR THIS WAS TO ENCOURAGE STATES THAT WERE NOT OBLIGATING THESE FUNDS AND TO START USING THE FUNDS IN A MANNER CONSISTENT WITH THE AMR PROGRAM. I THINK CONGRESS HAS SUCCEEDED IN ITS EFFORTS. UNFORTUNATELY, STATES LIKE UTAH, WHICH HAVE HISTORICALLY DONE AN EXCELLENT JOB IN OBLIGATING THEIR FUNDING, HAVE HAD TO SUFFER ALONG WITH STATES THAT HAVE NOT BEEN AS DILIGENT. FOR EXAMPLE, MY STATE RECEIVED CONSTRUCTION AND ADMINISTRATION GRANTS TOTALLING OVER $2.9 MILLION FOR FY85. UTAH'S GRANT PROPOSAL FOR FY86 TOTALED $3.1 MILLION. HOWEVER, AS A RESULT OF CONGRESSIONAL ACTION THE STATE OF UTAH WAS ONLY ALLOCATED $1.079 MILLION FOR FY86. THUS UTAH RECEIVED ABOUT ONE-THIRD OF THE FUNDS IT HAD ANTICIPATED. AS A RESULT, THE STATE WAS NOT ABLE TO COMPLETE OR CONTINUE A NUMBER OF THE PROJECTS IT HAD COMMITTED TO.

THE SECOND CONCERN I HAVE RELATES TO THE MANNER IN WHICH THE STATES WERE NOTIFIED OF CHANGES IN THE APPROPRIATIONS. I AM TOLD THAT THE STATE OF UTAH WAS NOT OFFICIALLY NOTIFIED UNTIL FEBRUARY OF 1986, SIX MONTHS INTO FY86. I UNDERSTAND THE OFFICE OF SURFACE MINING KNEW IN EARLY DECEMBER THAT FUNDING HAD BEEN REDUCED. HOWEVER, THEY DID NOT SET UP A MEETING WITH THE STATE AGENCY THAT ADMINISTERS THE AMR UNTIL EARLY FEBRUARY. I FIND THAT VERY DISTRESSING AND DISAPPOINTING. I HAVE CALLED THE OFFICE OF SURFACE MINING AND EXPRESSED MY CONCERN REGARDING THE LATE NOTIFICATION. I KNOW THAT THE CHAIRMAN CANNOT DO ANYTHING ABOUT THIS SITUATION BUT I THOUGHT IT MIGHT HELP HIM UNDERSTAND MY FRUSTRATION.

AS A RESULT, I WOULD LIKE TO REQUEST THAT THE CHAIRMAN CAREFULLY REVIEW THE APPROPRIATIONS FOR THIS PROGRAM. I WOULD ENCOURAGE THIS COMMITTEE TO APPROVE FUNDING AT THE FY85 LEVEL, $290 MILLION, MINUS ANY REDUCTIONS DUE TO GRAMM-RUDMAN. I SUPPORT THIS LEVEL OF FUNDING BECAUSE IT IS UNFAIR TO FORCE THIS PROGRAM TO BE FUNDED AT FY86 LEVELS AND THEN BE SUBJECT TO FURTHER GRAMM-RUDMAN CUTS WHEN THE FY86 FUNDING DID NOT REFLECT THE OFFICE OF SURFACE MINING'S BUDGET REQUEST AND THE ACTUAL NEEDS OF THE PROGRAM. AT THE VERY LEAST I URGE THIS COMMITTEE TO FUND THE PROGRAM AT THE LEVEL RECOMMENDED BY THE OFFICE OF SURFACE MINING. EVEN AT THIS LEVEL THE PROGRAM'S EFFORTS TO COMPLETE RECLAMATION PROJECTS WILL BE SERIOUSLY HAMPERED. IT IS OF THE UTMOST IMPORTANCE THAT STATE AGENCIES BE PROVIDED WITH SOME DEGREE OF CERTAINTY IN THEIR PLANNING PROCESS AS THEY ATTEMPT TO OBLIGATE FUNDS FOR THE PURPOSE OF RECLAMING ABANDON MINES.

FINALLY, I WOULD LIKE THE CHAIRMAN TO KNOW THAT THE STATE OF UTAH IS IN FAVOR OF THE OFFICE OF SURFACE MINING'S MANAGEMENT PLAN TO CREATE A FEDERAL-STATE MATCHING FUND FOR RECLAMATION

GRANTS. IN THE ADVANCE DRAFT OF THE MANAGEMENT ACTION PLAN THE OFFICE OF SURFACE MINING HAS PROPOSED USING A PORTION OF THE SECRETARIAL DISCRETIONARY FUNDS TO SETUP MATCHING RECLAMATION GRANTS ON A 1:1 OR A 1:2 RATIO. I COMMEND THE OFFICE OF SURFACE MINING FOR THEIR EFFORTS IN THIS AREA.

AGAIN, MR. CHAIRMAN THANK YOU FOR THIS OPPORTUNITY TO TESTIFY. I HOPE THAT WE CAN WORK TOGETHER TO ASSURE CONTINUED FUNDING OF THIS VALUABLE PROGRAM IS CONTINUED TO BE FUNDED AT A REASONABLE LEVEL.

THURSDAY, APRIL 17, 1986.

CUMBERLAND GAP TUNNEL

WITNESS

HON. HAL ROGERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. YATES. Mr. Rogers, we are deligthed to have you.

Mr. ROGERS. I have a short statement if it is okay with the chairman.

Thank you for the opportunity to testify this afternoon on the subject of fiscal year 1987 appropriations for the Cumberland Gap Tunnel.

Mr. Chairman, I would like to update the subcommittee on recent developments concerning the Gap and to outline the particular needs for funding during fiscal year 1987.

With the permission of the chairman, I would then like to submit my detailed testimony for the record.

Mr. YATES. It is already a part.

Mr. ROGERS. As you know, last year this subcommittee scrutinized this tunnel project carefully. After careful consideration, the subcommittee decided to provide appropriations for the Gap, despite the fact that the administration had requested termination on the project.

But the subcommittee laid down an important requirement: the funds would only be made available if the states agreed to pay all the operation and maintenance costs for the tunnel.

I am pleased to report to the subcommittee that Kentucky and Tennessee have now signed an agreement with the Interior Department, under which they will assume all the O&M costs, as the subcommittee instructed last year.

And on the basis of that agreement the fiscal year 1986 funds were released and work on the project has continued, and they are deep within the mountain at this time.

It had been my hope that once we crossed the cost-sharing hurdle, we would be able to continue work on the project without interruption.

Unfortunately, that has not been the case.

Notwithstanding all of our negotiations and the good faith efforts by the states to assume the O&M costs, I was dismayed to see in the budget requests that while there was no proposal to rescind the fiscal year 1986 funds, neither were there any funds requested for Fiscal Year 1987.

I wish I had a good explanation to give the subcommittee as to why no money was requested.

Unfortuantely, the best answer I can give you is that the Park Service remains less than enthusiastic about the program.

There has been some discussion between the Federal Highway Administration and the Park Service about including the Gap in the Park Roads and Parkways Account.

But apparently, the Park Service is still dragging its heels and is claiming that no money is needed for the next fiscal year.

I have discussed this question at length with the Government agencies involved as well as with the design engineer.

Based on these conversations, it is my understanding that $10 million is needed to keep the project on course for fiscal year 1987.

In addition, they point out that delays in the availability of such funds during fiscal year 1987 would prevent savings which could otherwise be achieved through some carefully planned earth movements and would also lead to costly delays in construction.

Mr. Chairman, this project is greatly needed, not only in my district, but in that whole region across two states.

It will replace a terribly unsafe stretch of highway across the Cumberland Gap and will promote in a great way the economic devlopment of that region and one of the Nation's most chronically impoverished regions.

In addition, it will give the wonderful side effect of allowing us to then restore the old original trail by which Daniel Boone blazed for civilization for the rest of the country through that very historic area. We can restore it, then, to the way it was at that time.

The states have done their share, both in terms of improving the highway located in their borders, and most recently, in terms of living up to the congressional directives relating to paying the O&M costs.

They have lived up to the congressional requirements. I firmly believe that now the Congress must live up to its end of the commitment and provide the funds needed to keep the project on track.

For these reasons, I would like to ask the subcommittee to provide $10 million in fiscal year 1987 appropriations.

And with the permission of the chairman, I will now submit the balance of my testimony for the record.

Mr. YATES. It may be received.

Thank you very much.

Mr. ROGERS. Thank you so much.

[The statement of Hon. Hal Rogers follows:]

TESTIMONY SUBMITTED BY

THE HONORABLE HAL ROGERS

BEFORE THE

SUBCOMMITTEE ON THE INTERIOR

APRIL 17, 1986

THANK YOU FOR THE OPPORTUNITY TO TESTIFY THIS AFTERNOON ON THE SUBJECT OF FY87 APPROPRIATIONS FOR THE CUMBERLAND GAP TUNNEL.

MR. CHAIRMAN, I WOULD LIKE TO UPDATE THE SUBCOMMITTEE ON RECENT DEVELOPMENTS CONCERNING THE GAP AND TO OUTLINE THE PARTICULAR NEEDS FOR FUNDING DURING FY87. WITH THE PERMISSION OF THE CHAIRMAN, I WOULD THEN LIKE TO SUBMIT MY DETAILED TESTIMONY FOR THE RECORD.

MR. CHAIRMAN, AS YOU KNOW, LAST YEAR THIS SUBCOMMITTEE SCRUTINIZED THIS TUNNEL PROJECT CAREFULLY. AFTER CAREFUL CONSIDERATION, THE SUBCOMMITTEE DECIDED TO PROVIDE APPROPRIATIONS FOR THE GAP, DESPITE THE FACT THAT THE ADMINISTRATION HAD REQUESTED TERMINATION OF THE PROJECT. BUT THE SUBCOMMITTEE LAID DOWN AN IMPORTANT REQUIREMENT: THE FUNDS WOULD ONLY BE MADE AVAILABLE IF THE STATES AGREED TO PAY ALL THE OPERATION AND MAINTENANCE COSTS FOR THE TUNNEL.

I WOULD LIKE TO REPORT TO THE SUBCOMMITTEE THAT KENTUCKY AND TENNESSEE HAVE NOW SIGNED AN AGREEMENT WITH THE INTERIOR DEPARTMENT, UNDER WHICH THEY WILL ASSUME ALL THE O&M COSTS. AND ON THE BASIS OF THAT AGREEMENT, THE FY86 FUNDS WERE RELEASED AND WORK ON THE PROJECT HAS CONTINUED. WITH THE CHAIRMAN'S PERMISSION, I WOULD LIKE TO SUBMIT A COPY OF THAT COST-SHARING AGREEMENT FOR THE RECORD.

IT HAD BEEN MY HOPE THAT ONCE WE CROSSED THAT COST-SHARING HURDLE, WE WOULD BE ABLE TO CONTINUE WORK ON THE PROJECT WITHOUT INTERRUPTION. UNFORTUNATELY, THAT HAS NOT BEEN THE CASE.

NOTWITHSTANDING ALL OF OUR NEGOTIATIONS AND THE GOOD FAITH EFFORTS BY THE STATES TO ASSUME THE O&M COSTS, I WAS DISMAYED TO SEE IN THE BUDGET REQUESTS THAT WHILE THERE WAS NO PROPOSAL TO RESCIND THE FY86 FUNDS, NEITHER WERE THERE ANY FUNDS REQUESTED FOR FY87.

I WISH I HAD A GOOD EXPLANATION TO GIVE THE SUBCOMMITTEE AS TO WHY NO MONEY WAS REQUESTED. UNFORTUNATELY, THE BEST ANSWER I CAN GIVE YOU IS THAT THE PARK SERVICE REMAINS LESS THAN ENTHUSIASTIC ABOUT THE PROGRAM. THERE HAS BEEN SOME DISCUSSION BETWEEN THE FEDERAL HIGHWAY ADMINISTRATION AND THE PARK SERVICE ABOUT INCLUDING THE GAP IN THE PARK ROADS AND PARKWAYS ACCOUNT. BUT APPARENTLY THE PARK SERVICE IS STILL DRAGGING ITS HEELS AND IS CLAIMING THAT NO MONEY IS NEEDED FOR THE NEXT FISCAL YEAR.

I HAVE DISCUSSED THIS QUESTION AT LENGTH WITH THE GOVERNMENT AGENCIES INVOLVED AS WELL AS WITH THE DESIGN ENGINEER. BASED ON THESE CONVERSATIONS, IT IS MY UNDERSTANDING THAT $10 MILLION IS NEEDED TO KEEP THE PROJECT ON COURSE FOR FY87.

IN ADDITION, THEY POINT OUT THAT DELAYS IN THE AVAILABILITY OF SUCH FUNDS DURING FY87 WOULD PREVENT SAVINGS WHICH COULD OTHERWISE BE ACHIEVED THROUGH SOME CAREFULLY PLANNED EARTH MOVEMENTS AND WOULD ALSO LEAD TO COSTLY DELAYS IN CONSTRUCTION.

MR. CHAIRMAN, THIS PROJECT IS GREATLY NEEDED IN MY DISTRICT. IT WILL REPLACE A TERRIBLY UNSAFE STRETCH OF HIGHWAY AND WILL PROMOTE THE ECONOMIC DEVELOPMENT OF ONE OF OUR NATION'S MOST CHRONICALLY IMPOVERISHED REGIONS.

THE STATES HAVE DONE THEIR SHARE BOTH IN TERMS OF IMPROVING THE HIGHWAY LOCATED IN THEIR BORDERS AND MOST RECENTLY IN TERMS OF LIVING UP TO THE CONGRESSIONAL DIRECTIVES RELATING TO PAYING THE O&M COSTS. THEY'VE LIVED UP TO THE CONGRESSIONAL REQUIREMENTS. I FIRMLY BELIEVE THAT NOW THE CONGRESS MUST LIVE UP TO ITS END OF THE COMMITMENT AND PROVIDE THE FUNDS NEEDED TO KEEP THE PROJECT ON TRACK.

FOR THESE REASONS, I WOULD LIKE TO ASK THE SUBCOMMITTEE TO PROVIDE $10 MILLION IN FY87 APPROPRIATIONS. AND WITH THE PERMISSION OF THE CHAIRMAN, I WILL NOW SUBMIT THE BALANCE OF MY TESTIMONY FOR THE RECORD.

THANK YOU.

THE CUMBERLAND GAP PROJECT CONSISTS OF THE RECONSTRUCTION OF U.S. ROUTE 25E THROUGH THE CUMBERLAND GAP NATIONAL HISTORICAL PARK AND CONSTRUCTION OF A TUNNEL AND ITS APPROACHES THROUGH THE GAP.

THIS PROJECT IS URGENTLY NEEDED FOR MANY REASONS.

FIRST, THERE IS THE ISSUE OF SAFETY. THE FATALITY AND VEHICLE ACCIDENT RATE IN THE SECTION OF U.S. 25E TRAVERSING THE GAP IS APPROXIMATELY 6 TIMES THE NATIONAL AVERAGE. THE ROAD HAS STEEP GRADES AND SHARP CURVES. IT CHANGES FROM FOUR LANES TO TWO LANES TO THREE LANES TO TWO LANES AND THEN BACK TO FOUR LANES AGAIN. IT IS OFTEN ENGULFED IN BLINDING FOG AND IS EXTREMELY HAZARDOUS UNDER SNOWY OR ICEY CONDITIONS. ACCORDING TO DEPARTMENT OF TRANSPORTATION DOCUMENTS, IT IS FAR BELOW THE CURRENT CAPACITY, GEOMETRIC, AND SAFETY STANDARDS FOR HIGHWAYS.

SECOND, THERE IS THE QUESTION OF CAPACITY. ACCORDING TO DOT PERSONNEL, THE MAXIMUM SAFE CAPACITY FOR A TYPICAL 2-LANE HIGHWAY IS 1000 VEHICLES, ONE WAY, PER HOUR. GIVEN THE STEEP GRADES ON THIS SECTION OF U.S. 25E, THE MAXIMUM SAFE CAPACITY WOULD BE CLOSER TO 500. HOWEVER, THE DEPARTMENT OF TRANSPORTATION ESTIMATES THAT THE CURRENT TRAFFIC LEVEL IS ACTUALLY ABOUT 1300, WHICH IS APPROXIMATELY THREE TIMES THE MAXIMUM SAFE CAPACITY. AND I WOULD LIKE TO POINT OUT THAT THIS FIGURE IS PROJECTED TO INCREASE TO 3500 WITHIN THE NEXT 15 YEARS.

THIRD, THERE IS THE QUESTION OF ECONOMIC DEVELOPMENT. THE CONSTRUCTION OF THIS TUNNEL IS ESSENTIAL TO THE ECONOMIC DEVELOPMENT

OF THIS REGION. THIS HIGHWAY HAS BEEN IDENTIFIED BY THE APPALACHIAN REGIONAL COMMISSION AS AN APPALACHIAN DEVELOPMENT CORRIDOR. IT IS AN ESSENTIAL NORTH-SOUTH LINK IN THE REGIONAL TRANSPORTATION NETWORK.

THIS REGION SUFFERS FROM HIGH UNEMPLOYMENT, ALONG WITH CHRONIC POVERTY AND UNDERDEVELOPMENT. MY DISTRICT IS THE 4TH POOREST IN THE ENTIRE COUNTRY. BUT BY IMPROVING OUR LINKAGES WITH THE MAJOR TRANSPORTATION NETWORKS, CONSTRUCTION OF THIS TUNNEL WILL SUPPORT THE ECONOMIC DEVELOPMENT OF SOUTHEASTERN KENTUCKY AND EASTERN TENNESSEE.

IT IS FOR ALL THESE REASONS THAT THE CUMBERLAND GAP TUNNEL PROJECT HAS EARNED SUCH WIDE-SPREAD SUPPORT. IT IS SUPPORTED BY CONGRESSMAN COOPER, IN WHOSE DISTRICT THE TUNNEL IS ALSO LOCATED, ALONG WITH THE SENATORS FROM BOTH KENTUCKY AND TENNESSEE, AND BOTH THE KENTUCKY AND TENNESSEE STATE GOVERNMENTS.

THE PROJECT BEFORE US IS A GOOD PROJECT.

IT HAS A BENEFIT/COST RATIO OF 2.33 TO 1.

IT IS ENVIRONMENTALLY SOUND, AS CONFIRMED BY THE FACT THAT THE ENVIRONMENTAL IMPACT STATEMENT PREPARED BY THE NATIONAL PARK SERVICE IDENTIFIED THIS TUNNEL PROJECT AS THE MOST PRUDENT, FEASIBLE AND PREFERRED ALTERNATIVE. AND CONSTRUCTION OF THIS TUNNEL WILL PERMIT THE HISTORIC PRESERVATION OF CUMBERLAND GAP.

IN VIEW OF THE SEVERE NEED FOR IMPROVED TRANSPORTATION IN THIS

REGION, THE STATES HAVE MADE A MAJOR EFFORT. THE TUNNEL PROJECT IS LOCATED ON A 100-MILE CORRIDOR OF U.S. 25E, LINKING I-75 AT CORBIN, KENTUCKY WITH I-75 AT MORRISTOWN, TENNESSEE. KENTUCKY HAS ALREADY 4-LANED MOST OF ITS 48 MILES AND THE REMAINING PORTION IS ALREADY SCHEDULED FOR CONSTRUCTION. KENTUCKY'S TOTAL CONSTRUCTION COST IS $475 MILLION. TENNESSEE HAS 4-LANED 21 OUT OF ITS 49 MILES, WITH THE REMAINING PORTIONS SCHEDULED FOR CONSTRUCTION BETWEEN 1987 AND 1990. THE TOTAL COST OF CONSTRUCTION PAID BY TENNESSEE WILL BE $110 MILLION.

IN ADDITION, AS POINTED OUT EARLIER, THE STATES HAVE AGREED, PURSUANT TO CONGRESSIONAL DIRECTIVES, TO PAY THE FULL O&M COSTS OF THE TUNNEL. THE ANNUAL COST OF THIS REQUIREMENT FOR EACH STATE WILL BE ABOUT $150,000.

THE WILLINGNESS TO PAY SUCH CONSTRUCTION COSTS AND O&M COSTS CLEARLY DEMONSTRATES KENTUCKY'S AND TENNESSEE'S STRONG COMMITMENT TO THIS PROJECT AND THEIR WILLINGNESS TO BACK UP THEIR COMMITMENT WITH ACTUAL FUNDING.

WHEN THE STATES COMPLETE THEIR WORK, THE ONLY REMAINING UNIMPROVED PORTIONS OF THIS CORRIDOR WILL BE THE 4.2 MILES TRAVERSING FEDERAL LANDS IN THE CUMBERLAND GAP NATIONAL HISTORIC PARK. THE AUTHORIZING LEGISLATION CALLS FOR CONSTRUCTION OF THIS REMAINING SEGMENT, INCLUDING THE TUNNEL, AT FULL FEDERAL EXPENSE. THE STATES HAVE UNDERTAKEN THEIR IMPROVEMENTS IN GOOD FAITH AND HAVE AGREED TO PAY THE O&M COSTS IN COMPLIANCE WITH THE CONGRESSIONAL DIRECITVES. THEY HAVE DONE THIS WITH THE EXPECTATION THAT THE FEDERAL GOVERNMENT WILL COMPLETE ITS SHARE OF THE PROJECT. NOW IS THE TIME FOR THE FEDERAL GOVERNMENT

TO FULFILL ITS COMMITMENT.

FOR ALL THESE REASONS, I WOULD LIKE TO REQUEST THAT THE SUBCOMMITTEE CONTINUE FUNDING FOR THE CUMBERLAND GAP TUNNEL, AND PROVIDE $10 MILLION FOR FY87. DESPITE THE ADMINISTRATION'S FAILURE TO REQUEST FUNDING IN FY87, THIS FUNDING IS NEEDED TO KEEP THE PROJECT'S CONSTRUCTION ON SCHEDULE.

SPECIFICALLY, THIS FUNDING WOULD BE USED FOR ONGOING DESIGN AND CONSTRUCTION, INCLUDING EXCAVATION WORK RELATED TO THE KENTUCKY SIDE OF THE PORTAL. UNDER THE CURRENT CONSTRUCTION SCHEDULE, PLANS WOULD CALL FOR USE OF THIS MONEY LATE IN FY87. FAILURE TO PROVIDE THESE FUNDS WOULD MEAN EVENTUAL DELAYS IN CONSTRUCTION. AND SINCE INFLATION ON HIGHWAY PROJECTS HAS AVERAGED ABOUT 8% IN RECENT YEARS, FAILURE TO APPROPRIATE FUNDS COULD LEAD TO SIGNIFICANT COST INCREASES ON THE TOTAL PROJECT.

I URGE YOU TO PROVIDE THIS BADLY NEEDED FUNDING IN FY87.

THANK YOU.

THURSDAY, APRIL 17, 1986.

OUTER CONTINENTAL SHELF OIL AND GAS LEASING

WITNESSES

HON. WILLIAM E. DANNEMEYER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

HON. DAN LUNGREN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. YATES. Mr. Dannemeyer, why the rose?

Mr. DANNEMEYER. Somebody said, "We question whether or not you have any value," so somebody put this rose on me and said, "It does give you a little quality."

Mr. YATES. Anything will help.

Do you have a formal statement you want incorporated?

Mr. DANNEMEYER. Right here.

Mr. YATES. Give it to the reporter and it may be made part of the record.

You are here to testify either for or against the moratorium?

Mr. DANNEMEYER. I am speaking against the moratorium.

Mr. YATES. All right.

We are glad you brought a chart. I wish there were some way we could incorporate it into the record.

Mr. DANNEMEYER. I am a little saddened that I am here, but I thank you for the opportunity of coming here and testifying.

Mr. YATES. Why are you sad? I would have thought you would have been overjoyed to come before our committee.

Mr. DANNEMEYER. Not because of you, Mr. Chairman. It is just that we are negotiating now with the Secretary of the Interior and members of the California Delegation, and it is kind of surprising to me some of my colleagues are seeking to once again give life to the moratorium.

Mr. YATES. Both sides have been represented. Messrs. Panetta and Lowry were in with their group. Mrs. Boggs was in in opposition to the moratorium. Mr. Lagomarsino was in in opposition to the moratorium. You are now in in opposition to the moratorium.

Both sides are represented. I think it is not a bad thing, that this should happen in view of the fact that perhaps the discussions now going on with this group may break up.

Mr. DANNEMEYER. Who knows?

Mr. YATES. Certainly the committee welcomes your eloquence on this matter.

Mr. DANNEMEYER. Mr. Chairman, I think that one of the misconceptions about this whole issue is that somehow the attitude has been created, the media picks it up time and again, read this in California publications and what we are doing on this issue, and the issue is as if we are talking initially about exploring, developing, and producing hydrocarbons off the California coast.

That is the way it is played. Nothing could be further from the truth, nothing.

That is why I wanted to bring these maps in.

Mr. YATES. All right. Do you want a pointer?

Mr. **Dannemeyer**. From the 225 miles of the beach, roughly, from San Luis Obispo to Huntington Beach. The City of San Luis Obispo down the coast of southern California to Huntington Beach.

We have in place today 31 platforms, about half of them in state tidelands within three miles of the beach, the other half in Federal tidelands.

Those 31 platforms contain 3,500 producing wells, about 800 of them the Federal territory, the balance of them the state territory.

Mr. **Yates**. Do the producing wells have derricks? What forms do they take?

Mr. **Dannemeyer**. Well, there are several types. The platforms, one platform may have up to 72 wells on it.

Mr. **Yates**. Under the platform?

Mr. **Dannemeyer**. Right.

Mr. **Yates**. That is a huge platform.

Mr. **Dannemeyer**. One platform, then they have provisions for——

Mr. **Yates**. Seventy-two holes beneath the platform?

Mr. **Dannemeyer**. That is right. They make what they call "whipstocking," they drill out and spaghetti-like.

Mr. **Yates**. On a diagonal.

Mr. **Dannemeyer**. That is right.

We have been drilling in the state tidelands for 90 years, the Federal tidelands for over 25 years in southern California.

We have got about 25 million people a year who use the beaches, beach bums, in southern California, and you can swim.

Most people swim easily in the water easily off Long Beach, Ventura—when you get up to Luis Obispo Bay, it is cool. I have surfed there.

Mr. **Yates**. Where is your district?

Mr. **Dannemeyer**. Mine is southern California. I am inland.

But this area is—in other words, the point I want to share with you is that we have established compatibility between development of the off-shore hydrocarbon base and the use of the beach by just plain people seeking recreation.

Mr. **Yates**. And by fish, too.

Mr. **Dannemeyer**. You are—when you look at these little black platforms and look at the quantity of platforms around Santa Barbara—have you visited Santa Barbara recently?

Mr. **Yates**. Not for about 10 or 12 years. I saw the rigs at that time.

Mr. **Dannemeyer**. You can see them out there.

The point is, the revenue has gone up. There is not an adverse impact from this development off the coast of Santa Barbara.

It hasn't adversely affected tourism, that is the point.

As far as the ecology of the area is concerned, there was an article in the paper three or four months ago where the oil operators have to take the shellfish off of the legs of the derricks because they have weight problems, and they were paying some fellow to come out there and scrape them off.

Some promoter comes along—the oil companies say, "Give me the contract. Don't pay me anything, just let me have the shellfish."

Now, he is selling mussels that live on the legs of these platforms. He has developed quite a business of it.

And the fishing is enhanced because the fishermen, the sport fishermen fish these platforms because they serve as an attraction for the things that are part of the food chain.

So, really, what this whole thing is about, the whole struggle, truly—Mr. Panetta believes that any area of our state outside that 225-mile segment that does not now have oil exploration development in his definition is ecologically sensitive.

What he really means is where the development is not now located it should never be located. That is what he is talking about.

I am a little offended by the elitism which suggests that some area of that coastline of California is more precious than another segment of it.

I think it is all ecologically sensitive, every single foot of it.

And the fact of the matter is—and this is a chart that shows it—there are three basins off our central and southern California coast the geologists and Department of the Interior estimate contains the best potential, maybe, in the OCS of the whole country.

The three basins are Benaga Basin, Santa Maria Basin, and Anahomema Basin.

You see these blue lines here that outlines it. Industry is interested in bidding in those areas, particularly because there is a billion barrels of reserves there.

There aren't many of them around the world, but we believe that three areas—the findings of core samples taken there are very similar to what has been found in the Santa Maria Basin around here, which is a major area currently being developed.

So, the prospects for additional hydrocarbons, gas or oil, in these three basins are profound.

The yellow is areas of interest industry had. You can see where they would like to be able to develop.

The green is where existing leases are, and the orange is where a previous lease took place.

Mr. **Yates**. Can we borrow the maps from you for awhile?

Mr. **Dannemeyer**. Sure. I just had these developed in my office. One picture is worth a thousand words.

Mr. **Yates**. If you can take pictures of that and color smaller maps, you may want to put it into the record as part of your statement.

You may want that, mightn't you? That was the purpose of my suggestion.

Mr. **Dannemeyer**. I can empathize with a member from California who represents a congressional district on the beach, I really can.

Seventeen of the 45 of us have a piece of the beach, and of the 17 who have a piece of the beach, there is only about three who support expanding off-shore drilling: Bill Thomas, Dan Lungren, and Doug Bosco way up in northern California.

The reason he supports it up there is Eureka, the northern part of the state. The local folks want the economic development and growth of jobs.

I really have trouble understanding the inland fellows. There is 28 of us. A lot of inland guys are opposed to it.

I have never understood that, because democrats from my state, most of them are in opposition. Of the 28 democrats in California, three support off-shore drilling, 25 oppose.

And normally democrats have been identified with blue collar jobs.

Mr. **Yates**. You did once, too, when you were a democrat.

Mr. **Dannemeyer**. I could empathize with that. And yet, these are the people today that are standing in the face of these that are seeking a job saying, "We don't want this development," notwithstanding compatibility that has been demonstrated between tourism and off-shore development.

[The statement of William E. Dannemeyer follows:]

STATEMENT OF THE HONORABLE WILLIAM E. DANNEMEYER

Committee on Appropriations

Subcommittee on Interior

April 17, 1986

Mr. Chairman, it was one year ago tomorrow that I again had the privilege of testifying before this Subcommittee on the subject of whether or not to place yet another one-year moratorium on oil and gas leasing in the California OCS planning areas. Forgive me for a sense of deja vu and the feeling of "here we go again".

In past appearances before you I emphasized the importance of the California OCS energy resource base to our country. As Ranking Republican Member of the Energy and Commerce Subcommittee on Fossil and Synthetic Fuels, I outlined the role of offshore energy in our ability to maintain domestic energy security. Related to this are the effects on our trade balance since imported oil is the largest dollar volume commodity affecting the trade deficit.

I also addressed the OCS issue as a native Californian to point out its importance to jobs and economic growth, the compatibility of OCS development to onshore activities as demonstrated by the history of development in Southern California and the need to maintain air quality while doing so.

I continue to believe that these and other reasons are persuasive arguments for why we need a strong OCS development program offshore California and around the rest of the country. However, this is the sixth consecutive year in which we are again debating a moratorium. It is clear that I am not going to persuade those who have requested a moratorium to see the light as I see it, just as they are not going to persuade me to abandon my position. We need to compromise.

Nonetheless, after the Appropriations Committee rejected the last moratorium, it was agreed that we would go to the bargaining table and seek to resolve the outstanding conflicts over the California OCS. Any such consultation process would be difficult, particularly for those with coastal districts. For the first time, though, we were talking about the substance of the issue together and with the participation of those outside of California from the key authorizing committees. It is as a member of the California OCS negotiating group that I wish to speak today.

I regret very much that participants in the negotiations have decided to go outside of them, just as we were about to commence the phase of considering specific proposals, to seek a moratorium again. The Continuing Resolution for Fiscal Year 1986 (Public Law 99-190), in section 111, directs the Secretary of the Interior to make every effort during the balance of fiscal year 1986 to resolve the outstanding conflicts.

We began our work in late January and have continued at a steady pace since that time. At the outset, Secretary Hodel outlined the nature of the 5-year OCS leasing process, the proposed 5-year plan for

1987-1991, and the specific sales planned for California. We held briefing sessions with officials of the Minerals Management Service of the Department of Interior to discuss in detail the nature of OCS operations and geology of the areas off the California coast. We heard from local government officials with a variety of divergent views on OCS development. Just last week, we had an excellent session with representatives from industry and the environmental community.

Now that the "information gathering" phase is over, we agreed last week to meet every week until the end of May to take what we learned and try to mold a consensus to guide the Secretary of Interior.

The statement of managers on the Continuing Resolution states that, "If after a reasonable period there is no agreement between the parties, Congress may reconsider this matter." Under the circumstances, I respectfully suggest that considering a moratorium is premature for a reasonable period of time is not yet over. We have not yet given the negotiation/consultation process a chance. We had set a target of trying to reach agreement by the end of May. That time has not yet arrived, much less the end of the fiscal year. A moratorium would effectively "poison the well" and force members away from the table and back to working for and against the moratorium.

I know that some of my colleagues have argued that the Secretary of the Interior is guilty of the same thing by going forward with the 5-year plan. I beg to differ with that assessment. First of all, the 5-year process involves the entire U.S. Outer Continental Shelf. Second, at this point it is only a proposed final plan, now open for comment during a 90 day period. The plan is subject to revision before being submitted to Congress in final form in early 1987 for a 60 day comment and notification period. Then for each individual lease sale, there is a lengthy process involving a call for information, a draft environmental impact statement, a proposed Notice of Sale and a final Notice of Sale. Throughout this process there is ample opportunity for public comment and input. Further, no sales are scheduled in FY1987.

All during the five year plan's preparation and implementation, the area available for leasing, and that actually leased, can only grow smaller. Secretary Hodel has already deleted nine subareas from the sale area at this early point in the process. In fact, Secretary Hodel made it very clear that if the California OCS group can come up with an agreement, it can easily be incorporated into the 5-year plan.

In short, the 5-year plan and the Call for Information on Sale 91 are consistent with our negotiations and are expressly contemplated by the statement of managers accompanying the Continuing Resolution.

We do face a very challenging task in these negotiations. There are deeply held views on both sides of the issue. I respect these differences. For my part, I recognize that those along the coast who oppose development can slow up the process by legislation and regulation. By the same token, I would hope that opponents of offshore development appreciate that it is not a question of whether the California OCS will be developed, but only a matter of when. We are all better off to double our efforts to reach a consensus that permits development of significant quantities of the resource base with protections, such as those needed to maintain and improve air quality, than we are to wait until a crisis forces us to develop in haste. One of the members of the environmental community indicated at last week's meeting that a moratorium is not the way to resolve these differences.

Finally, I think it is important to bear in mind that the negotiations and any consideration of another moratorium have a direct effect on the marketplace. The sudden drop in oil prices of 60 percent since last November raises two important issues. The first is the state of the oilfield service industry in these depressed conditions. Last year, before the drop in oil prices, a survey by the Governor's office of 37 firms showed that employment while the moratorium was in effect since 1980 fell 55 percent, or the loss of 12,000 jobs. This has only grown worse since that time. The job loss is not confined to California since goods and services for the California OCS come from dozens of states across the country. The California OCS is the last remaining major series of oil fields yet to be fully developed. The health of this important source of jobs depends upon a viable program.

The other aspect of the drop in oil prices and the "glut" which has produced them is the view that areas are no longer economical to develop and that we do not need the supplies of energy given the surplus. As to the first, if we have learned anything in energy in the last decade it is that prices are volatile, subject as they are to numerous market and political forces. Furthermore, if the market price is not sufficient, we need no moratoria or other statutory barriers for there will be no interest. However, we are not at that point today.

As to supply, we must always remember that the OCS leasing process and the development which it permits take a very long time. The Interior Department and industry spoke of a ten to fifteen year lag time from pre-lease steps to actual production. Even if this is only half that time in some cases, or a quarter of it, the point is that we cannot turn oil and gas on and off like a light switch. We are not talking, then, about supplies for today's market, but about where we will get the energy we need in the next decade and the next century. Every year of delay, by moratoria or otherwise, delays the day when offshore oil and gas will be available as part of the mix of energy sources we need for our economy. Given this imperative, I urge you to reaffirm your support for a negotiated solution by opposing another moratorium, or at least putting off a decision until we have made our best efforts to seek a consensus. Thank you.

Mr. **Yates**. Let me stop you in mid-flight for a second and ask Mr. Lungren if he wants to come up with Mr. Dannemeyer.

I understand you take the present position.

Mr. **Lungren**. I am not sure I want to sit on the right of Mr. Dannemeyer.

Mr. **Yates**. We are pleased to have you. Your formal statement may be made part of the record. He indicated, incidentally, you were opposed to the moratorium.

Mr. **Lungren**. That is true.

Mr. **Yates**. He has been making an eloquent statement in opposition to the moratorium and pointing to the maps.

You have a piece of the beach, don't you?

Mr. **Lungren**. I have a piece of the beach. If I can point to the maps, I will show you where I am.

I have part of Los Angeles County and Orange County. You see the drilling that is going on in that area is all off-shore my district, down here.

What they don't show is within the three-mile limit, we have extensive oil that is being drilled, the so-called California tidelands.

California, last year, benefited by tidelands oil production somewhere in the neighborhood of $356 million.

Almost all of that went to school systems in the State of California, K-12, through the graduate school programs.

Because of the dropping price in oil, this year it will probably go to 150. It is not something that is so unique that we are talking about here that California hasn't had some history of it, or the state does not participate in it.

If I might just make a couple of comments that I happen to think are appropriate—and maybe Bill has mentioned it—it seems to me in the same week the United States is engaged in some rather forceful action with Mr. Quadhafi.

And his response, in part, is that the other Arab countries ought to join in an oil embargo against the United States and Great Britain and others who might assist us.

It seems to me timely for us to consider the foreign policy implications of off-shore drilling. If what the Department of the Interior tells us is true, and what the industry tells us is true, we will be out of our known oil reserves in the United States by the year 2010.

That may seem like a long way off, but it is not that far off when you think about it, and that means we have to have a rather aggressive program for looking for new sources.

And according to both the Department of the Interior and all of the folks in the industries that I can find—and I can't see anybody who has disagreed with this substantively—we have a situation in which we believe the greatest potential for any new large finds of oil and natural gas in the United States are off-shore.

We just can't afford to let this be put off and put off and put off and put off.

I am as concerned—I know Bill may have expressed this to you, but I think we have a fundamental question here.

When we have got a situation in the Middle East in which we do have young men in some combat and the potential is there in the future, things like this makes us far more vulnerable than we would be otherwise.

Mr. YATES. I understand Mr. Panetta's statement to be that he isn't opposed to development of the California coast and that he and his group are trying to obtain some agreement with the Secretary of the Interior for the development of the resources at points that are not, in Mr. Dannemeyer's phrase, "ecologically sensitive".

I don't know whether that is possible or not. I assume when they designated 150 tracts to start with—and the Secretary of the Interior said there is nothing under 150 tracts—we aren't going to agree to that.

Perhaps they can agree upon another 150 tracts. Would you be opposed to something like that?

Mr. LUNGREN. No, I am part of the negotiating process. I think this stands a better chance of being successful, because we have all the parties involved which we didn't have last time.

We have those of us who live in areas in which drilling is taking place and believe the drilling is compatible with the environment involved.

The Secretary of the Interior and his designate have been involved in every single meeting. We have had formal meetings until last year. We are to start with the detailed negotiations next week on a weekly basis.

I think this flies in the face of that, frankly.

Mr. YATES. We are not flying in any face of it.

Mr. LUNGREN. I am talking about the suggestion for a moratorium.

Mr. YATES. Mr. Dannemeyer suggested he couldn't understand why members were coming in to testify, as Mr. Panetta did and Mr. Lowry and some of the others did, and I suggested to him that I want the negotiations to go forward, and I hope they result in some kind of an agreement.

If they don't result in agreement, and that happened, I guess, last year, in the negotiations between the Secretary and, I think, Mr. Panetta, everybody felt let down.

So, I think this is probably what they consider to be a fall-back position if they have to fall back to it.

I understand that that is your position, too, in the case.

If it breaks down, you are opposed to the moratorium. You hope for some kind of settlement through negotiations.

Mr. LUNGREN. Absolutely.

Mr. YATES. I do, too.

We on the committee are not in a happy position, either.

Mr. LUNGREN. It sends the wrong signal for us to adopt a moratorium on anything at this time.

Mr. YATES. We are looking to your leadership in that group, and I do hope you can come to some kind of an orderly agreement for the development of the oil in areas that you all agree on are ecologically senstive.

Mr. LUNGREN. I hope so, too. I will tell you, the toughest thing we are going to have to get through is not air pollution. It is not oil spills. It is not any of that.

I think it is really coming down to what the fancy word is—"view shed". People don't like to think they are going to have to look out there and see it.

And if you look at the maps, the closer in the Outer Continental Shelf is to the mainland the greater the interest.

It happens to be where the oil appears to be because of the geological formations and also what is economically feasible to drill.

So, we are always going to encounter that, and I hope I am not giving up on this process.

I tell you, I think that is going to be the most difficult problem we have to overcome.

Some people are going to have to swallow hard and accept the fact that we are going to have some oil rigs that are visible from shore and that is the price of it.

We can take care of every other problem—I am convinced, I really believe that—because we have done it in my area, and we are more exposed than anybody else is to this.

Mr. YATES. All right. Let's hope that you work it out.

Thanks for coming in.

Mr. DANNEMEYER. The difficulty of the agreement, to be honest with you, Mr. Chairman, is that it is hard for any member from California who represents a piece of the beach to be part of an agreement that results in exploration and drilling off of his ocean.

Mr. LUNGREN. I have a beach. We have more people in my district that visit the beach than any other place in California, and we have the drilling.

Mr. YATES. Who has Malibu Beach?

Mr. DANNEMEYER. Mel Devine.

Mr. LUNGREN. That is a beautiful beach—

Mr. DANNEMEYER. It is no more beautiful than Huntington Beach or Long Beach.

Mr. YATES. Thanks.

[The statement of Hon. Daniel Lungren follows:]

TESTIMONY OF CONGRESSMAN DANIEL LUNGREN

INTERIOR APPROPRIATIONS SUBCOMMITTEE

APRIL 17, 1986

CALIFORNIA OCS DEVELOPMENT/PROPOSED MORATORIUM

I WOULD LIKE TO THANK THE MEMBERS OF THE COMMITTEE FOR ALLOWING ME TO TESTIFY ON THE DEVELOPMENT OF CALIFORNIA'S OUTER CONTINENTAL SHELF (OCS) AND MR. PANETTA'S PROPOSAL TO IMPOSE ANOTHER MORATORIUM. I AM STRONGLY OPPOSED TO THE IMPOSITION OF ANOTHER MORATORIUM.

WE MUST FOLLOW AN ORDERLY OCS LEASING PROCESS AS IS CALLED FOR IN THE OCS LANDS ACT OF 1978, AND WORK TO IMPLEMENT A LEASING PLAN THAT WILL HELP THE UNITED STATES MEET ITS ENERGY NEEDS AND NATIONAL SECURITY GOALS. THIS IS ESPECIALLY TRUE IN LIGHT OF THE RECENT ACTIONS IN THE MIDDLE EAST. AS I KNOW YOU ARE AWARE, COLONEL QADDAFI HAS CALLED ON HIS ARAB NEIGHBORS TO IMPOSE ANOTHER OIL BOYCOTT ON THE U.S. AND BRITAIN. WHETHER OR NOT THE REST OF THE ARAB WORLD GOES ALONG WITH MR. QADDAFI'S REQUEST, HIS ACTIONS UNDERSCORE THE FACT THAT WE ARE STILL VULNERABLE TO AN OIL EMBARGO. WE CANNOT AFFORD TO BE COMPLACENT. THE U.S. MUST PURSUE POLICIES WHICH STIMULATE DOMESTIC ENERGY PRODUCTION, AND THE IMPOSITION OF A MORATORIUM SIMPLY DOES NOT COMPORT WITH THAT GOAL.

LET ME TAKE A MOMENT TO ADDRESS PROCEDURAL ASPECTS. AS YOU KNOW, CONGRESS ADOPTED COMPROMISE LANGUAGE DURING DEBATE ON THE FY 1986 CONTINUING RESOLUTION WHICH ESTABLISHED A NEW CALIFORNIA OCS NEGOTIATING TEAM. THIS TEAM CONSISTS OF SECRETARY HODEL, THE CHAIRMAN AND RANKING MINORITY MEMBERS OF THE JURISDICTIONAL HOUSE AND SENATE SUBCOMMITTEES, SENATORS CRANSTON AND WILSON AND REPRESENTATIVES

PANETTA, BOSCO, BOXER, LEVINE, LOWERY, DANNEMEYER AND MYSELF. THE COMPROMISE LANGUAGE, WHICH WAS SUPPORTED BY MR. PANETTA AND THE OTHER PRO-MORATORIUM MEMBERS, STATED THAT "THE SECRETARY OF THE INTERIOR IS HEREBY DIRECTED TO MAKE EVERY EFFORT DURING THE BALANCE OF FISCAL YEAR 1986 TO RESOLVE THE OUTSTANDING CONFLICTS WITH RESPECT TO THE FUTURE LEASING AND PROTECTION OF LANDS ON THE CALIFORNIA OCS. . ." THE STATEMENT OF THE MANAGERS, WHICH WAS SIGNED BY REPRESENTATIVES OF BOTH POSITIONS, SPECIFICALLY STATED THAT THE DEPARTMENT OF INTERIOR MAY PROCEED WITH PRELIMINARY SALES STEPS, INCLUDING A CALL FOR INFORMATION AND NOMINATIONS FOR OCS LEASE SALES IN SOUTHERN, CENTRAL, AND NORTHERN CALIFORNIA PLANNING AREAS.

THE NEW TEAM HAS JUST RECENTLY CONCLUDED THE BACKGROUND "EDUCATIONAL" PROCESS. INTERIOR, THE STATE AND LOCAL GOVERNMENTS, INDUSTRY AND ENVIRONMENTAL GROUPS PRESENTED INFORMATION ON GEOLOGY, RESOURCE ESTIMATES, U.S. ENERGY NEEDS, AND ENVIRONMENTAL CONCERNS AND MITIGATION EFFORTS. NOW THAT WE HAVE COMPLETED THE "INFORMATION" STAGE, THE TEAM IS READY TO BEGIN SERIOUS NEGOTIATIONS, AND WEEKLY MEETINGS HAVE BEEN SCHEDULED. OUR FIRST DETAILED NEGOTIATING SESSION WILL BE NEXT TUESDAY.

BOTH SIDES HAVE BEEN WORKING IN GOOD FAITH TO RESOLVE THE CONFLICTS. THE DEPARTMENT OF INTERIOR HAS BEEN VERY WILLING TO SET UP MEETINGS, ACCOMMODATE OUR SCHEDULES AND PROVIDE DETAILED INFORMATION. ALTHOUGH THE DIFFERENCES BETWEEN THE TWO SIDES REMAIN GREAT, I DO NOT BELIEVE THAT WE SHOULD ASSUME THAT THE NEGOTIATIONS HAVE FAILED. THE COMPROMISE AMENDMENT GAVE THE SECRETARY OF INTERIOR AND THE CONGRESS THE BALANCE OF FY 1986 TO WORK OUT AN AGREEMENT. UNDER THE CIRCUMSTANCES, I BELIEVE IT IS PREMATURE TO CONSIDER THE RE-IMPOSITION OF A MORATORIUM. ALTHOUGH THE STATEMENT OF THE MANAGERS DID STATE THAT "IF AFTER A REASONABLE PERIOD THERE IS NO AGREEMENT BETWEEN THE PARTIES, CONGRESS MAY RECONSIDER THIS MATTER," I DO NOT

FEEL THAT A "REASONABLE" TIME PERIOD HAS ELAPSED. SOME HAVE CLAIMED THE A MORATORIUM IS NECESSARY BECAUSE MR. HODEL RENEGED ON THE PRELIMINARY AGREEMENT REACHED LAST SUMMER. AND ALTHOUGH I CAN UNDERSTAND THEIR CONCERNS, I BELIEVE THAT THERE IS A SUBSTANTIAL DIFFERENCE BETWEEN THE TWO SETS OF NEGOTIATIONS. UNLIKE THE GROUP PARTICIPATING IN THE FIRST SET, THIS TEAM HAS BEEN DIRECTLY APPOINTED BY CONGRESS, AND ALL VIEWS ARE REPRESENTED.

IN REGARDS TO THE MERITS OF THE PROPOSED MORATORIA, WE DO A GREAT DISSERVICE TO THE CITIZENS OF CALIFORNIA AND THE NATION BY IMPOSING THIS TYPE OF RESTRICTION. ALTHOUGH WE ARE RELATIVELY COMFORTABLE NOW WITH THE WORLDWIDE OIL GLUT AND DECLINING PRICES, OUR NATION IS STILL VULNERABLE TO AN OIL SHORTAGE. DESPITE CONSERVATION EFFORTS, THE U.S. STILL IMPORTS 27% OF ITS OIL--JUST SLIGHTLY LESS THAN WAS IMPORTED PRIOR TO THE 1973 ARAB OIL EMBARGO. THE U.S. LITERALLY MOVES ON OIL AND HEATS ITS HOMES AND WORKPLACES WITH NATURAL GAS. AND UNFORTUNATELY, CALIFORNIA IS FAR MORE DEPENDENT ON PETROLEUM PRODUCTS THAN THE REST OF THE NATION.

CALIFORNIANS CONSUME 10% OF THE NATION'S OIL, OVER HALF OF WHICH IS JUST FOR TRANSPORTATION. MY STATE USES MORE GASOLINE THAN EVERY OTHER COUNTRY IN THE WORLD EXCEPT THE U.S. AND THE SOVIET UNION. AND CALIFORNIANS LOVE AFFAIR WITH THE CAR IS ONLY GROWING AS WE HAD AN 8% INCREASE IN TRANSPORTATION ENERGY USE BETWEEN 1982 AND 1984. IF CALIFORNIA"S ECONOMY, INCLUDING OUR IMPORTANT TOURIST INDUSTRY, IS TO CONTINUE TO GROW, THE STATE WILL NEED EASILY ACCESSIBLE ENERGY RESOURCES. MORATORIA, BY RESTRICTING THE PROCESS, SHUTS OFF A MAJOR SOURCE OF ENERGY CALIFORNIANS AND THE NATION WILL NEED IN THE FUTURE.

THERE ARE MANY PROPOSALS TO INCREASE THE NATION'S ENERGY SELF-SUFFICIENCY, INCLUDING FILLING THE SPR AND RESEARCH AND DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND CLEAN COAL TECHNOLOGIES. HOWEVER, SINCE THE U.S. WILL CONTINUE TO RELY ON OIL AND GAS FOR OVER 70% OF ITS ENERGY NEEDS FOR THE FORSEEABLE FUTURE, DOMESTIC SOURCES OF OIL MUST BE DEVELOPED. ALTHOUGH THE U.S. MUST PURSUE A BALANCED "ENERGY MIX," NONTRADITIONAL SOURCES WILL SIMPLY NOT BE CAPABLE OF, EITHER ECONOMICALLY OR TECHNOLOGICALLY, OF CARRYING THE BURDEN. ACCORDING TO THE DEPARTMENT OF ENERGY'S (DOE) 1985 NATIONAL ENERGY POLICY PLAN (NEPP), "IT WOULD BE FOOLISH TO SUGGEST THAT THE FUTURE OF THE U.S. IS NOT STILL INEXTRICABLY TIED TO OIL AND GAS DEVELOPMENT. THESE TWO FUELS OF CONVENIENCE ARE THE ONES THAT WILL REMAIN THE SOURCES OF SUPPLY FOR THE REST OF THIS CENTURY AND BEYOND." OIL AND GAS PROVIDE TWO-THIRDS OF THE COMMERCIAL ENERGY USED IN THE U.S., AND THEY ARE PROJECTED TO STILL FURNISH MORE THAN HALF IN THE YEAR 2000. AND OVER 75% OF THE NATION'S END-USE ENERGY IS CONSUMED BY VEHICLES AND EQUIPMENT WHICH ARE CAPABLE OF USING ONLY LIQUID OR GASEOUS FUELS.

THE DEVELOPMENT OF BOTH ONSHORE AND OFFSHORE FIELDS CAN HELP BUY MORE TIME FOR THE EVENTUAL TRANSITION TO OTHER FORMS OF ENERGY. AND AS MORE THAN HALF OF ALL THE NEW U.S. FIELD DISCOVERIES IN 1984 WERE FOUND ON THE OCS, WE CANNOT RULE THIS OUT AS AN ALTERNATIVE. ALL THE KNOWN U.S. OIL FIELDS WILL BE VIRTUALLY DEPLETED BY THE YEAR 2010, THUS OUR DOMESTIC SUPPLY SOURCES MUST COME FROM FIELDS NOT YET DISCOVERED. BECAUSE OF THE LONG LEAD TIMES, IT TAKES APPROXIMATELY 10 TO 15 YEARS FROM THE BEGINNING OF A LEASE SALE PROCESS TO ACTUAL PRODUCTION, WE MUST BEGIN NOW. WE CAN NOT AFFORD TO DELAY THE PROCESS BY IMPOSING COUNTER-PRODUCTIVE MORATORIA. IF WE DO NOT FOLLOW THE OCS PROCESS AS SET FORTH IN THE 1978 ACT, WE WILL NOT HAVE THE INFORMATION AND INFRASTRUCTURE IN PLACE TO RECOVER THE RESOURCES WHEN THEY ARE NEEDED IN THE 21ST CENTURY.

IF WE DO NOT PURSUE ENERGY INDEPENDENCE, INCLUDING OCS DEVELOPMENT, AMERICA OPENS ITSELF UP FOR ANOTHER SERIOUS ENERGY CRISIS, LEADING TO INCREASES IN INFLATION AND UNEMPLOYMENT AND A GENERAL ECONOMIC SLOWDOWN. ALTHOUGH THE SHORTFALLS IN 1973 AND 1979 WERE ONLY FOUR TO FIVE PERCENT, THEY TRIGGERED TO WORST RECESSIONS SINCE THE END OF WORLD WAR II. AND ACCORDING TO THE NOTED OIL

ECONOMIST, DAN LUNDBERG, THE EFFECTS OF ANOTHER SHORTFALL COULD BE DEVASTATING, CAUSING INFLATION AND UNEMPLOYMENT TO RISE SUBSTANTIALLY. AND IN THE EVENT OF ANOTHER OIL EMBARGO, THE U.S. WOULD BE REQUIRED TO ADHERE TO TREATY OBLIGATIONS AND SHARE OIL WITH OUR ALLIES.

I AGREE THAT THERE ARE ENVIRONMENTAL CONCERNS WHICH MUST BE SATISFIED AND THAT LEASING MUST NOT BE ALLOWED IN AREAS WHERE IT WOULD BE TRULY DAMAGING. HOWEVER, CAREFUL DEVELOPMENT GENERALLY IS NOT INCOMPATIBLE WITH THESE GOALS. SINCE 1969, THE ENVIRONMENTAL RECORD OF THE OIL INDUSTRY HAS BEEN EXCELLENT. AND THERE IS STRONG EVIDENCE THAT RESPONSIBLE OCS DEVELOPMENT HAS BEEN A HELP TO BOTH THE TOURIST AND FISHING INDUSTRIES. AT THE VERY LEAST, IT DOES NOT HURT. THE STRUCTURES CAN ACT AS ARTIFICIAL REEFS WHICH PROMOTE MARINE LIFE AND FISH POPULATION. MOREOVER, NOTHING IS MORE DEVASTATING TO THE TOURIST BUSINESS THAN AN OIL SHORTAGE, AS EVIDENCED BY THE ECONOMIC DECLINE EXPERIENCED BY THE INDUSTRY DURING THE TWO 1970'S OIL EMBARGOES.

AS UNFORTUNATE AS THE SANTA BARBARA OIL SPILL WAS, NO AREA, INCLUDING SANTA BARBARA, SHOWS ANY SIGNS OF LONG TERM ENVIRONMENTAL DAMAGE. RIVER RUNOFF, NATURAL SEEPAGE, TANKERS AND OTHER MODES OF TRANSPORTATION ACCOUNT FOR OVER 76% OF THE OIL IN THE OCEAN; WHEREAS, U.S. OFFSHORE PRODUCTION ACCOUNTS FOR ONLY 5/100THS OF 1% OF THE OIL IN THE OCEAN. TANKER TRAFFIC, WHICH NOW CARRIES A MAJORITY OF THE OIL USED BY SOUTHERN CALIFORNIANS, IS FAR MORE ENVIRONMENTALLY DANGEROUS THAN OCS PRODUCTION. IN FACT, ACCORDING TO MMS AND THE COAST GUARD, SINCE 1970, OVER TWO MILLION BARRELS OF OIL HAVE BEEN SPILLED FROM TANKER ACCIDENTS IN U.S. WATERS. THIS COMPARES TO ONLY 840 BARRELS LOST FROM OCS ACTIVITY. WITHOUT ADDITIONAL OFFSHORE DRILLING, TANKER TRAFFIC IN SOUTHERN CALIFORNIA IS LIKELY TO INCREASE, AND WITH IT A HIGHER RISK OF OIL SPILLS.

THE OCS LANDS ACT IS A GOOD PROGRAM, WHICH ALLOWS CITIZENS AND STATE OFFICIALS INPUT INTO THE PROCESS AND REQUIRES OIL COMPANIES TO MEET STRINGENT

ENVIRONMENTAL SAFEGUARDS. IF FOLLOWED RESPONSIBLY, IT WILL HAVE A POSITIVE EFFECT ON THE ECONOMY, CREATE JOBS, REDUCE IN OUR FEDERAL BUDGET AND TRADE DEFICITS WITHOUT ENVIRONMENTAL DAMAGE. MORATORIA, WHICH SIMPLY DELAY THE CAREFULLY LAID OUT PROCESS, ARE NOT NEEDED. IT SHOULD BE REMEMBERED THAT THE DECISIONS MADE TODAY WOULD ALLOW PRODUCTION PROBABLY TEN YEARS FROM NOW. THE VOLATILE GLOBAL ENERGY HISTORY OF RECENT YEARS SHOULD DISSUADE US FROM POSTPONING RESPONSIBLE LEASING UNTIL ANOTHER CRISIS IS UPON US.

THURSDAY, APRIL 17, 1986.

FOREST SERVICE/FISH AND WILDLIFE SERVICE

WITNESS

HON. DON BONKER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. YATES. Your statement may go into the record.

Mr. BONKER. Thank you, Mr. Chairman.

I also appreciate the opportunity to appear before your committee and bring greetings.

I might add, you have been so good to us in our area, I don't think Julia could have improved upon what you have done for Washington State.

I think I speak for all my colleagues in expressing our appreciation.

We know that Gramm-Rudman and deficit reduction is getting increasingly difficult.

Mr. YATES. Tell us what it is you want us to do.

We like your compliments, but we also respect your time.

Mr. BONKER. I am chairing another meeting.

Two areas. One is the Cedar Grove, located in southwest Washington.

Mr. YATES. You want to protect it? You want a moratorium on it?

Mr. BONKER. No, no. Last year, your committee appropriated $3.4 million to save half of the Cedar Grove.

But in order to complete the transaction, we need $3.9 million. This is an island that sits in the southwest area surrounded by water, and the old Cedar Groves are unique, and Weyerhauser negotiated a very clever arrangement with the Fish and Wildlife Service which gave the land to the Fish and Wildlife Service but preserved the cutting rights for Weyerhauser.

The contract has an escalating factor, so if we buy the cutting rights now, we get it at a pretty good price, but it goes up 12 percent a year, because the contractors negotiated at a time when interest rates were much higher and the value of cedar is much higher.

In order to complete the transaction, it would take $3.9 million, and the entire island would be preserved forever.

Mr. YATES. They are part of the refuge?

Mr. BONKER. Yes, the whole island is now.

So, that is one item. Item number two is Mount St. Helens. I have been here before on Mount St. Helens.

It is timely, because the old mountain erupted again today with some steam and ash. So, you will be reading about that in the paper.

Mr. YATES. We were told it was kind of quiescent.

Mr. BONKER. We coordinate things. We are trying to make some benefits out of what was a tragedy for the area, and that is the Mount St. Helens monument which has now been created by law, and a visitors center, which this committee has funded and which will help to accommodate almost three million visitors a year to the mountain.

Our big request here is, again, it is a continuing program of building an access road into the mountain, so it will loop around the mountain so people can come in on the southwest portion, drive up to the visitor's center around the mountain, and out on the northern end.

Last year, we got the Forest Service to earmark $9 million for a segment of road, and our request this year is for $8 million to try to make that road a reality, so that the visitors who come in can have the access and the exit.

Mr. **Yates**. We will think about it.

Mr. **Bonker**. Thank you.

Mr. **Yates**. Thank you for coming in. They sound like good projects.

[The statement of Hon. Don Bonker follows:]

STATEMENT BY CONGRESSMAN DON BONKER (WA)
BEFORE THE
APPROPRIATIONS SUBCOMMITTEE ON INTERIOR
APRIL 17, 1986

Mr. Chairman, I appreciate the opportunity to testify this afternoon in support of several projects of great importance to the Northwest, and indeed, the entire country. I also want to express my gratitude for your past leadership and assistance.

I. ACQUISITION OF REMAINING TIMBER RIGHTS WITHIN THE WILLAPA NWR CEDAR GROVE

Last year, largely because of your efforts, Congress appropriated $3.4 million to save half of a unique, privately held stand of old-growth cedar within the Willapa National Wildlife Refuge on Long Island in southwest Washington. The 274-acre stand is known as the old Cedar Grove and is thought to be the last untouched remnant of a forest type that once occurred in coastal areas of the Pacific Northwest. Scientists estimate the Cedar Grove has existed, basically unchanged, since a climatic change following the last ice age some 4,000 years ago and is valued as one of the best examples of a stable climax community. Individual trees are thought to be 2,000 years and measure up to 11 feet in diameter. The Cedar Grove is also home to a wide array of wildlife.

The Fish and Wildlife Service (FWS) and the Weyerhaeuser Company have been working for 20 years in an effort to arrange for full federal ownership of the Cedar Grove. In 1983, the FWS and Weyerhaeuser signed an agreement transferring 1,621 acres of Weyerhaeuser land on Long Island to the FWS in exchange for harvest rights to federal second-growth timber on the island. The exchange consolidated FWS land ownership of Long Island and secured protection of these lands and the surrounding Willapa Bay estuary for fish and wildlife habitat. However, FWS holdings were insufficient to acquire all of Weyerhaeuser's timber harvest rights and the 1983 agreement provided that unless the 155-acres remaining in private hands is acquired by the FWS within eight years it would be available for cutting in three increments.

Last year's appropriation made it possible for the FWS to acquire the first two increments, which make up half (78-acres) of the 115-acres of timber harvest rights still held by Weyerhaeuser, although there was a marginal reduction because of Gramm-Rudman sequestrations. This year, I urge the committee to appropriate the funds necessary (approximately $3.9 million) to acquire the remainder of this one-of-a-kind natural treasure. Because the 1983 agreement calls for steep annual increases of the per-acre value of the remaining timber rights, the sooner Congress appropriates the funds for acquisition the less it will cost. It would be unthinkable for the federal government to stand by and let this unique resource be converted into cedar shakes and picnic tables. I urge the committee to appropriate the $3.9 million necessary to save Cedar Grove in the Willapa NWR.

II. IMPROVEMENTS FOR THE MOUNT ST HELENS NATIONAL VOLCANIC MONUMENT

Mr. Chairman, Since the catastrophic May 18, 1980 eruption of Mount St. Helens, the volcano has been the object of national and worldwide attention. Although the eruption devestated the landscape and economy of areas around the mountain, the fascination with Mount St. Helens has provided some unique opportunities. The Forest Service estimates that by the year 2000, some 2.8 million visitors annually will come to the 110,000-acre Mount St. Helens National Volcanic Monument created by Congress in 1982.

If these projections to be realized, the Forest Service must provide access and facilities in keeping with the nature of the Monument. The Forest Service recently adopted a legislatively mandated Comprehensive Management Plan (CMP) for the Monument which is a blueprint for balanced development that will maintain key areas in a primitive condition to preserve scientific, ecological, and scenic values. The CMP is a carefully crafted document and has the support of both environmentalists and local chambers of commerce.

Congress has supported key elements of the CMP and a visit information center that will be completed at the end of the summer. Unfortunately, the Administration has consistently failed to request any funding for the implementation of the CMP and other improvements necessary to make the Monument more than a mere designation. I am grateful for your past support for the Mount St. Helens Monument and request that you again help provide the funds needed to make it operational.

FY 1987 FUNDING REQUIREMENTS FOR THE MOUNT ST HELENS NATIONAL VOLCANIC MONUMENT

ADMINISTRATION	
Operation and Maintenance	$1.115
Recurrent Road Maintenance	.456
Other Programs	.237
Public Safety	.080
Cooperative Law Enforcement	.120
TOTAL ADMINISTRATION	$2.008
CAPITAL INVESTMENT	
Recreation Constr Projs (FLM)	$ .568
Parking Constr (FRP)	.254
Trails & Trailheads (FT)	.525
Roads & Parking (FRP)	.029
Forest Roads & Bridges (FRP) ("Loop Road" Improvements)	8.165
Administrative Buildings (FAO)	1.570
Roads & Parking (FRP)	.025
TOTAL CAPITAL INVESTMENT	$11.136
GRAND TOTAL FY87 MONUMENT BUDGET	$13.144

COMMENTS

Perhaps the most urgent need is improved access to the Monument. Currently, the only access to the area is by way of a network of narrow roads, some still unpaved, on the eastside of the volcano. Westside access will not be restored until highway 504 reconstruction is completed in 1991. The eastside "loop" is hazardous and cannot accommodate the number of visitors that would like to see the only active volcano in the continental United States. Traffic accidents, long delays, and dusty, bumpy road conditions are common and deter most would-be visitors from making the trip. Last year, Congress earmarked $9 million from the Highway Trust Fund and appropriated $915,000 to pave and improve the 99 road, the weakest link in the system of roads that make up the eastside loop (see attached map). This year, the Forest Service needs $8.165 to continue work on the loop road.

This funding would be used improve and realign sections of roads 25, 51 and 30, including the reconstruction of the Muddy River Bridge.

At my request, the Forest Service is providing specific information on these costs which will be forwarded to the committee in the near future.

III. MAINTAINING ADEQUATE FOREST SERVICE TIMBER HARVEST LEVELS

As the Committee knows, the President's budget proposal for Fiscal Year 1987 calls for a timber sale program of 10 billion board feet, 1.2 BBF less than the projected harvest next year and 900 million less than the actual harvest level last year.

I am deeply concerned that this inadequate timber sales program will result in long-term timber supply shortages, inflated stumpage prices, further mill closures and layoffs, and reduced timber receipts and tax revenues to the federal government.

As representatives of the industry testified before the Committee in February, an inadequate sales program will also have an adverse impact on timber companies' ability to utilize the remaining high-priced federal contracts purchased prior to 1982 by mixing more competitively-priced current contracts.

Domestic demand for lumber and other wood products hit an all-time high in 1985, and 1986 should bring even stronger demand. Unfortunately, our manufacturers are seeing few benefits of this record demand, as heavily-subsidized Canadian products are capturing an ever-increasing share of our market.

While overall U.S. lumber demand rose by 900 million board feet to 43.7 BBF in 1985, U.S. domestic sales actually fell by 400 million board feet. Using the advantage of below-market raw resource costs, Canadian sales rose by 1.3 billion board feet, absorbing all of the increased demand and more.

The Administration's proposed Forest Service timber sales level will only drive up the cost of U.S. federal stumpage, making it even harder for our mills to compete with these subsidized Canadian imports.

I would now like to turn to Forest Service Region 6 in the Pacific Northwest, the area of the country which would suffer the most under the Administration's shortsighted proposal. The President's budget envisions an FY 87 overall Region 6 timber sale level of 4.19 BBF, which translates into roughly 3.56 BBF of net merchantable sawtimber with the remaining wood mainly unsuitable for solid wood production.

Along with Congressmen AuCoin and Dicks, I am deeply concerned over the potential impact of this drastically reduced harvest level. I strongly support industry's suggestion that Congress increase the FY 87 timber sale level to 5.2 BBF, the annual sales cap allowed by law.

Increasing the timber sales level would insure an adequate raw material supply to Northwest mills which depend upon federal timber and maintain a cost structure that allows them a chance to compete. Failure to increase the Region 6 timber sale level would result in dangerously low levels of federal timber under contract, overbidding on an artificially scarce timber supply, and increased layoffs and mill closures in the Pacific Northwest.

Finally, the Administration's proposed sale level for Region 6 is penny-wise and pound-foolish even as it applies to the federal Treasury. Increasing the FY 87 sale to 5.2 BBF of net merchantable timber would result in a net decrease in the federal budget deficit of $98.4 million, even after costs such as sale preparation and construction engineering are taken into account.

IV. FOREST SERVICE RESEARCH ON OLD GROWTH HABITAT

As the Committee knows, the National Forest Management Act of 1976 directed the Secretary of Agriculture to develop, maintain, and revise land and resource management plans for the national forests and national grasslands. Over the past several years, the development of these Forest Management Plans has generated a great deal of concern, uncertainty, and controversy in the Pacific Northwest.

Environmental groups are concerned that the Management Plans adequately protect wildlife and recreational values, as well as old growth ecosystems in general. The wood products industry is fearful that the FMPs will result in a severe decline in the federal timber base, reducing the annual allowable harvest and driving up raw material costs, with devastating effects on numerous small communities.

The northern spotted owl has become the symbol of this entire controversy due to its role as an indicator species for old growth ecosystems, but the issues are more complex and vexing than simply protecting one species of owls.

My staff and I have been in continual contact with the Forest Service and the various interest groups, and have been struck by the lack of good scientific information on the issues at the center of the forest planning controversy. With regard to the spotted owl, there appears to be very little information at this time on specific habitat needs, habitat size requirements, and steps that can be taken to maximize the owl's survivability.

Even with this limited data, however, we are attempting to make decisions that will have a heavy economic impact upon thousands of workers and scores of timber-dependent communities.

Over the past three or four years, the Forest Service has begun a program of research on "Old Growth as Wildlife Habitat." The objectives of this research are very sound: (1) identifying plant and animal species that depend upon old growth habitat, (2) inventorying and classifying old growth forest ecosystems, (3) determining the biological requirements and interrelationships of species found in old growth habitat, and (4) evaluating the environmental and economic impacts of various old growth management alternatives.

This type of information obviously could be very helpful to policymakers attempting to draft Forest Management Plans that are sensitive to both environmental and industry concerns. Unfortunately, this type of research takes time and money. While the program was initiated in 1981, it got off to a very slow start. More recently, funding has remained relatively stable at roughly $1.2 million in each of the past three fiscal years.

At the present time, the old growth research effort is aimed at having a substantial data base by 1989 or 1990, when the next round of management planning begins; much of the work currently being done is significant, but still at more basic levels.

I would urge the Committee to maintain and possibly increase funding for this critical old growth research program currently underway in the Pacific Northwest.

In addition, I look forward to working with the Committee, the Department, and interested constituent groups to identify research areas that could help guide the Forest Service and the Congress as we continue the Forest Management Planning process.

Some areas that appear critical to the current controversy are: better data on the size and location of existing spotted owl populations; what factors make a given piece of habitat more or less acceptable to the owls; how can we increase the occupancy rate of management areas set aside for spotted owls; can natural or artificial genetic intermixing increase the viability of owl populations on the Olympic Peninsula, the Washington Cascades, and Oregon; and what steps can be taken to improve dispersion of juvenile spotted owls?

V. INDIAN FORESTRY PROGRAMS

Finally, Mr. Chairman, let me touch briefly on the issue of federal forestry programs under the Bureau of Indian Affairs. I know that the Subcommittee has devoted a great deal of time and attention to adequate tribal forest management, and I strongly support your efforts.

Of particular concern in the President's FY 87 budget is the proposed $3.75 million cut in the Special Forestry Development Program, which is designed to eliminate the reforestation backlog on poorly managed tribal lands some of which date back to the early years of this century.

Originally, the Special Forestry Program called for elimination of the reforestation backlog by 1986. As the Committee learned last year, however, that timetable had slipped considerably, and BIA officials predicted that completion would not occur until after the year 2000 at current funding rates. As a result, the Subcommittee last year increased the appropriations level, with a new completion target of the mid-1990s.

The Administration's proposal to cut the Special Forestry Program by $3.75 million in FY 87 represents a 44 percent budget cut, and would cripple efforts to eliminate the backlog of underutilized tribal lands under the timetable established by the Subcommittee.

I strongly support any effort by the Subcommittee to maintain the Special Forestry Program. I would also urge that this program continue to be a separate component of the BIA budget, rather than incorporated into the new Tribe-Agency Operations account, to insure that the goals of this special program are not sacrificed to other tribal or agency funding pressures.

I again want to thank the Chairman and the Subcommittee for this opportunity to discuss a number of issues important to the region I represent.

Mr. YATES. For those members of Congress who could not appear here today, their statements may be made part of the record.

[The statements follow:]

Congreſs of the United States
House of Representatives
Washington, DC 20515

Testimony of Honorable Bill Green
Before the Appropriations Subcommittee on Interior
April 17, 1986

Mr. Chairman, I should like to thank you for the opportunity to testify to the Subcommittee on the need to continue federal support for the arts and humanities. Over the years, you have been a diligent leader in the effort to maintain this small but significant portion of the budget. Your fine work has not gone unnoticed.

Once again, the Administration has sent us a proposed budget that would cut funding for the National Endowments for the Arts and Humanities (NEA and NEH), and would terminate the Institute of Museum Services and the Historic Preservation Fund. Aside from the fact that funding for cultural programs comprises only .05% of the entire proposed budget, we must remember that these programs have already suffered significant cuts under Gramm-Rudman. It is through your efforts, with support from those of us who are members of the Congressional Arts Caucus, that we have been able to maintain the funding levels that we have.

Mr. Chairman, we are all well aware of the urgent need to reduce the federal deficit. Moreover, none of us would argue that the arts are a higher priority than certain other programs, such as child health care. But it is appalling to see such drastic cuts proposed for the arts and humanities, when at the same time this Administration proposes 75% growth in funding for Star Wars research and development alone -- to $4.8 billion in FY 1987. This is in spite of the fact that former Secretary of Defense Robert MacNamara has said that no defense program can even absorb more than a 30% increase in any year. A budget that has room for a proposed increase in defense spending of 8% above the amounts needed to keep up with inflation in FY 1987 cannot justify cuts in arts appropriations that are so small to begin with.

We must remember that there is more at stake here than art and culture. This is an economic issue as well. As a Representative from Manhattan, I fully appreciate the economic benefits the arts provide to New York and other cities throughout the nation. In 1982, the arts had a $5.6 billion impact on the New York metropolitan area and generated over 117,000 jobs. In addition, the arts generated $1.3 billion in revenues for New York City in 1982. An estimated 64 million people attended museums, galleries and other cultural events in the New York metropolitan area that year; one-fifth of that audience came from outside the region. Clearly, the tourism brought about by the arts provides revenue for hotels, restaurants, shops, and numerous other large and small businesses. Further, it increases the number of jobs available.

Our continued support for the NEA, NEH, IMS, Historic Preservation Fund and other arts programs is essential, particuarly for the small institutions and non-profits, not to mention individual artists, whose livelihoods depend on these appropriations. As we consider funding for FY 1987, let's remember that many people's lives are affected by these appropriations.

FORTNEY H. (PETE) STARK
9TH DISTRICT, CALIFORNIA

COMMITTEES:
WAYS AND MEANS
DISTRICT OF COLUMBIA
SELECT NARCOTICS

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

Pete Stark

TESTIMONY OF
CONGRESSMAN FORTNEY H. (PETE) STARK
BEFORE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR
APRIL 17, 1986 HEARING

Mr. Chairman and Members of the Committee:

I would like to offer my strong support in favor of the $1.5 million funding request for the San Francisco National Wildlife Refuge. This money, from the Land and Water Conservation Fund, would be used to purchase over 2,000 acres of important wetlands.

Only recently have we begun to understand the true value of wetlands. The latest farm bill included provisions which encourage the protection of wetlands from being filled or plowed. The critical interaction of wetlands with estuaries is even more significant. The San Francisco Bay is the largest estuary in California.

The wetlands abound with life. At high tide, fish move into the wetlands which provide a rich feeding ground. When the tide recedes, birds are attracted to the food sources left exposed. Various mammals are supported by the wetlands. The Bay Area wetlands are an important resting and feeding stop along the Pacific Flyway.

Of the original 200,000 acres of wetlands in the San Francisco Bay, less than 20% remain. Development pressures are intense for those areas still remaining as wetlands. These pressures make it imperative for us to act as quickly as possible.

The San Francisco Bay National Wildlife Refuge serves as an important educational role through its Environmental Education Center and Interpretive Center. Guides and trails add to the learning opportunities.

Mr. Chairman, the wetlands are and will continue to be a valuable resource. I would again strongly urge for both the wildlife and people of the San Francisco Bay Area that $1.5 million be allocated to purchase and preserve 2,000 acres of priceless wetlands for the San Francisco Bay National Wildlife Refuge.

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS

JERRY LEWIS
35TH DISTRICT, CALIFORNIA

COMMITTEES:

APPROPRIATIONS

SUBCOMMITTEES:

HUD-INDEPENDENT AGENCIES

FOREIGN OPERATIONS

LEGISLATIVE BRANCH
(RANKING MEMBER)

CHAIRMAN,
HOUSE REPUBLICAN RESEARCH COMMITTEE

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TESTIMONY BEFORE THE SUBCOMMITTEE ON INTERIOR OF APPROPRIATIONS

I come before this Subcommittee to once again request funding for the continued development of three treasured areas for public use in conjunction with the Bureau of Land Management. Last year, I came before this subcommittee with a five year proposal, requesting $300,000 each year for critical and necesary improvements to public areas of the California desert. Mindful of budget constraints, it was necessary to appropriate a smaller amount of funding. These funds have enabled the BLM to begin with the needed improvements. I am requesting funding for the second year of this project to ensure its unabated continuation.

The first area is called Soda Springs, also known as Zzyzx. With money secured last year from this Subcommittee, many desperately needed improvements to this unique desert area facility were initiated. Better signs, which now alert the general public of its availability, upgrading of the public facilities, and the ability to now keep the site open every weekend, have made it available to an increased number of desert visitors -- many of whom were unable to visit Soda Springs in the past. However, the already demonstrated public demands are far from being met, and the amount of funding which I now request would allow for a most legitimate growth in meeting the needs of the citizens.

The second area is an archaeological wonder called the Calico Early Man Site. The Calico Early Man Site is the only archaeological dig west of the Mississippi River open to the general public and is thought to provide the earliest evidence of man's activity in the Americas. Furthermore, Calico is a major interpretative educational resource, unique in the western United States because of its availability to the general public. In 1984, almost 100,000 citizens visited the area. This figure has steadily increased over the past year.

Finally, the Barstow Way Station provides an essential service to those citizens about to embark out into the desert. The Way Station provides maps, road and camping information, facts about desert hazards, and information about unique areas of visitation. Since 1984, public use has increased 20 percent.

The money this subcommittee generously appropriated to these three projects last year was the key first step in a five year proposal. I have become personally involved with the Bureau of Land Management and numerous groups to develop plans for these areas. Much has been achieved since I came before you last year. A great deal is left to be done.

Mr. Chairman and Members of the Subcommittee, I stated last year that my constituents are aware of, and sensitive to, these budget conscious times. Accordingly, we have once again scaled down our original request. In addition, through their private efforts and volunteer initiative, they were able to provide approximately 50 percent of the funding so desperately needed. Such unselfish efforts and volunteer commitment in providing needed public services should not go unrecognized, and I believe the best recognition possible would be this committee's favorable action on my request. Thank you for your consideration.

	Manpower	Construction	Operation & Maintenance	Total
Soda Springs	50,000	98,000	40,000	188,000
Calico	20,000	22,000	------	42,000
Barstow W.S.	60,000	------	10,000	70,000
				300,000

REMARKS BY THE HONORABLE PETER H. KOSTMAYER IN SUPPORT OF THE STATE AND LOCAL RIVER CONSERVATION ASSISTANCE PROGRAM AND THE LAND AND WATER CONSERVATION FUND

Mr. Chairman, members of the Committee, I want to thank you for the opportunity to submit testimony on the subject of the Land and Water Conservation Fund and the State and Local River Conservation Assistance Program.

Quite frankly, I strongly object to the Adminstration's proposal to eliminate funding for these very important conservation programs.

As stated in Section 11 of the National Wild and Scenic Rivers Act (PL 90-542), the purpose of the State and Local River Conservation Assistance Program is to achieve the conservation of significant river resources at a reduced cost while encouraging "home rule". According to testimony given by the Director of the National Park Service, William Penn Mott, Point 6 of the NPS plan calls for the expanded role of citizens at all levels and yet the State and Local River Program, which is perhaps best known for promoting cooperation among local, state, and federal governments as well as private interests, is slated for zero funding. This is a most blatant and unfortunate contradiction.

This concept of community involvement is embodied in the river technical assistance program and has been incredibly successful in stimulating local involvement. I speak from experience on this point as the Borough of Bristol, Pennsylvania (which has undertaken a river revitalization project in my district) has benefitted substantiallly from the State and Local Rivers Program. Under the auspices of this program, the National Park Service was invited to Bristol Borough and served as a catalyst to the revitalization movement, spurring the donation of time and resources from a variety of community organizations including the Commonwealth of Pennsylvania, Bristol Borough, Pennsylvania Coastal Zone Management, the Grundy Foundation, the Mill Street Business Association, the Lion's Club, and the Bucks County Conservancy, to name just a few. In addition, several major changes have taken place in Bristol which further attest to the success of this particular program. These changes include:

-acquisition of the Bristol Theatre (formerly an x-rated movie house) to be host to a resident community theatre

-renovation of the Bristol Train Station to include restaurants and shops

-plans for condominiums

-renovation of the Grundy Carpet Mill into apartment units.

-a grant in the amount of $150,000 from the Recreational Improvement and Rehabilitation Act to be matched by the Grundy Foundation to continue work on riverfront revitalization

Bristol is indeed the perfect example of a successful local/federal partnership. The State and Local River Conservation Assistance Program and the Land and Water Conservation Fund have proven to be the perfect catalysts as much community participation and cooperation evolved from National Park Service involvement.

I am disheartened to learn that the Administration has targeted these very worthwhile programs for extinction. It is unfortunate that the Adminstration has chosen to contradict itself and cut those very programs which promote greater citizen involvement, a concept they claim to endorse.

I object to this type of ill-conceived budget balancing and will work to see that the State and Local River Consevation Assistance Program and the Land and Water Conservation Fund are continued and funded at adequate levels.

Thank you.

TESTIMONY OF
CONGRESSWOMAN BOBBI FIEDLER
TO THE HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON INTERIOR
APRIL 17, 1986

Mr. Chairman, I am pleased to submit testimony in support of funding for the Santa Monica Mountains National Recreation Area. I appreciate the continuing efforts of the subcommittee to provide the funds that are needed to acquire valuable lands which would otherwise be lost to development.

This year, we again face budgetary restraints. However, I would ask the subcommittee to consider the impact of further delay on the land acquisition program. In 1978, Congress authorized $125 million so that the residents of one of the nation's fastest-growing areas can enjoy the wonders of the Santa Monica Mountains in their natural condition. To date, only $73 million of this authorization has been made available. Meanwhile, development pressures have pushed up land values to the extent that it is doubtful whether we will be able to meet our goal of acquiring 34,400 acres in the Santa Monica Mountains region. Many sites will be lost for public recreation use if sufficient funding is not forthcoming.

Situated in a heavily populated, fast-growing metropolitan area, the Santa Monica Mountains NRA offers many people their only opportunity to enjoy the unspoiled outdoors. Half a million people a year visit the NRA, underlining the tremendous demand for this outdoors experience.

I join with my colleagues in asking the subcommittee's support for our request for funding for the Santa Monica Mountains NRA. I would also like to thank you, Mr. Chairman, for your efforts on behalf of the

Santa Monica's land acquisition office, which has been slated for closing, and your past assistance for the Santa Monica Mountains NRA.

Beryl Anthony, Jr.
4/29/86

STATEMENT OF U.S. REPRESENTATIVE BERYL ANTHONY, JR.
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
APRIL 29, 1986

Mr. Chairman: I am pleased to be here today to update you and the other Subcommittee members on the restoration progress of the Hot Springs National Park, which is in my Congressional District.

As you are aware, Hot Springs National Park has been a federal facility since 1832, when it was set aside as Hot Springs Reservation. It was the second park to be included in the National Park System, but has the distinction of being the oldest park in the nation in terms of continuous federal management. It contains about 4800 acres in and around the city of Hot Springs, and the city and national park is virtually indistinguishable to visitors.

The heart of the park is Bathhouse Row, comprised of eight bathhouses of classical architectural elegance. In their heyday, they attracted millions of Americans to the natural thermal waters for which the park is famous. Today, seven of the eight bathhouses are closed and decaying. Some of the bathhouses have been closed for as many as 20 years, while others have closed only recently.

Last year, this Subcommittee recognized the potential of this restoration project and the commitment of the community to developing it. Your faith in this special and important restoration of history was a sign to the citizens of Hot Springs that their efforts would not be in vain. The $2 million that was appropriated for FY '86 has brought great progress in this project.

The community committed the funds to the renovation of the Fordyce Bathhouse, the largest and most beautiful of the houses, to be restored as a National Park Visitors' Center and Cultural Interpretation Center.

The move to renovate the Fordyce has acted as a flagship to private investors who are interested in restoring the other bathhouses. Community leaders have worked with National Park officials to set up an historic leasing program to attract serious applicants. Recently, a very exciting proposal was submitted by a Little Rock man who would like to renovate not one, but five of the bathhouses. His proposed uses of the bathhouses include a Museum of Mechanical Musical Instruments, a Bed and Breakfast Inn, a Restaurant, Health Spa and Fine Arts Center.

While the interior options are unlimited, the essence of the project is to preserve and restore the original beauty and grandeur of the old bathhouses. The leasing program requires that any accepted proposals must maintain the original exterior architecture of the buildings.

The leasing program and the designation of the Fordyce as a visitors center are major steps in the move to restore visitor confidence and public pride in the park. In order to keep this civic pride from eroding, much more must be done to end the deterioration of the park.

It is dishearteningly apparent that the deteriorated appearance of the park is reflected in declining attendance at the park. Visitation is down from 2 million in 1972, to about 1.1 million now.

A visitor attitude survey showed 82% negative feelings about the park from first time visitors. This is a tragedy of immense proportions because Hot Springs National Park is the closest park for millions of citizens in states such as Texas, Louisiana, Oklahoma, Missouri, Tennessee and Mississippi. It is the only national park serving the Mississippi River Valley area. Its appearance and service reflect upon the entire National Park System.

I have spent the last year working very closely with community leaders and national park officials to bring attention to this tragic situation. We have made great progress and have proven that we are committed to restoring such an important part of the national park system. Governor Clinton announced in March that Hot Springs was selected to join the Main Street Arkansas downtown revitalization program. Yet it is appalling to me that the Administration has recommended zero funds for the park in FY '87. I believe that more can and should be done as soon as possible to prevent further deterioration of the park and to maintain the community enthusiasm of Hot Springs that is turning this situation around.

I am requesting that the Subcommittee appropriates $3 million in FY '87 so that the restoration of Fordyce bathhouse can be completed. Until this is done, the park will continue to be deficient in both appearance and purpose and will not reflect well on our national park system.

Hot Springs National Park is a national treasure, but it could become a national embarrassment unless timely action is undertaken to correct these problems.

It is up to Congress and the Administration to reclaim the status of Hot Springs National Park as a jewel in the Crown of the Park System.

Testimony Submitted By

The Honorable John E. Porter, 10th District, Illinois

To the

House Appropriations Subcommittee on Interior

April 18, 1986

Mr. Chairman, I submit this testimony in support of some small businesses which were licensees of the American Revolution Bicentennial Administration ("ARBA"). These licensees are small businesses which were solicited to take part in an official capacity in the celebration of this nation's 200th anniversary of its Declaration of Independence. Any entrepreneurial venture entail some amount of risk. However, the poor management of these programs resulted in greater than average losses in a effort that should have been successful.

In 1977, with the statutory expiration of ARBA, all rights and responsibilities of ARBA were transferred to the Department of the Interior. Several of the licensees pursued their rights with Interior shortly thereafter. Subsequent to an investigation by the Small Business Administration, it was determined that the Interior Deparment had appropriate jurisdiction to hear the problems of the licensees, and at the suggestion of the Department of Interior's attorneys, a "test case" was filed on behalf of the licensees. The purpose of this test case was to resolve the facts, determine appropriate liability, and develop a uniform method for determining appropriate damages. It was agreed to that the remainder of the licensees would be dealt with in a fashion consistent with the outcome of the test case.

A test case was filed in December 1979 and promptly became bogged down in an adminsitrative quagmire at the Department. Four years later, after extensive deliberations, a settlement was reached. The test case was finished but new complications arose. Rather than settling by the agreed procedure, the Department of Interior ruled that statute of limitations barred recovery for the other licensees. The Comptroller General has issued an opinion that the statute of limitations does not apply in this case but the complications persist.

The facts and plights of the licensees speak for themselves. This situation has been allowed to continue far too long, and it is my desire that steps be taken to resolve the problems of the licensees immediately. The Department of Interior agreed some seven years ago to process a test case and abide by its outcome. It is time for that commitment to be honored and for that process to begin.

Testimony Submitted by

The Honorable John E. Porter, 10th District, Illinois

To the

House Appropriations Subcommittee on Interior

April 21, 1986

Mr. Chairman, I submit this testimony in support of the Land and Water Conservation Fund's State Matching Grant Fund. The Land and Water Conservation Program has been an effective cooperative venture between local, state and federal governments where the federal government allows states and localities to prioritize their needs.

The federal monies act as seed money for projects but require a 50% match in order to receive the funds. Members of the Illinois Association of Park Districts and Park Commissioners from my own district in Illinois have repeatedly described the successes of the State Matching Grant Program in balancing growth and quality of life priorities within the communities.

Bearing in mind the Administration's continuing efforts to eliminate the State Matching Grant Program, the constraints of Gramm-Rudman and efforts to control the Federal deficit, I support a continuation of the program at least at the current funding levels of $ 48 million provided by Congress for Fiscal Year 1986.

JIM LEACH
IOWA'S CONGRESSMAN
FOR THE FIRST DISTRICT

Statement by

Congressman Jim Leach

before the
Appropriations Subcommittee on the Interior
U.S. House of Representatives
April 17, 1986

Mr. Chairman, thank you for the opportunity to submit testimony regarding Interior appropriations issues.

My particular concern lies in the Office of Surface Mining's budget proposal for State Reclamation Program Grants. This proposal will have a significant effect on Iowa's Abandoned Mine Lands Program, which oversees the existing abandoned coal mines, determines which pose health, safety and environmental hazards; and selects projects for reclamation under the program.

The existing Abandoned Mine Lands(AML) trust fund is a dedicated fund with revenues generated by a tax on active surface and underground coal mining operations. This money is deposited in the AML trust fund and appropriations are made every fiscal year for the state programs. It is my understanding that 50 percent of this money is allocated back to states on the basis of current coal production and how much was paid into the fund. A portion of the remaining 50 percent is designated to a discretionary fund which, for fiscal year 1987, is allocated according to historic production and an inventory of qualifying sites.

My district in Iowa has over 100 abandoned coal mines in need of reclamation. At least half of these mines pose potential threats to the health, safety and general welfare of my constituents.

The Iowa Department of Soil Conservation, which receives Iowa's allocation of AML money, has done a very effective job of implementing the Iowa Abandoned Mine Lands Program. It is their estimate that they need a minimum of $2 million per year to maintain a viable program. Their work not only protects citizens and rehabilitates the unsightly results of surface mining, but has succeeded in employing local contractors for both design and construction bids, thus encouraging an Iowa economy which has been weakened by poor agricultural prices.

Of particular concern is the allocation formula by which money from the discretionary fund is apportioned to the states. The use of historical production as a factor in allocating the discretionary funds would have serious implications for Iowa. Although Iowa's coal industry has always been relatively small, the existing abandoned coal mines require reclamation. Inclusion of historical production will reduce even further the amount that states like Iowa receive under this program. Without providing an annual minimum base for each state, Iowa's annual allocation would be reduced by approximately 80 percent.

I would respectfully request that the subcommittee, in analyzing appropriations and the means by which these funds are allocated, would give all appropriate consideration to alternative apportionment formulas, such as a guaranteed minimum base operating budget for qualifying states, which would be separate and in addition to money allocated from the fund by an apportionment formula. This particular proposal has been supported by the Iowa Abandoned Mine Lands Program and a significant number of states which administer similar programs.

In summary, let me reiterate the importance of the AML program to Iowa. Whatever total funding level is made available, I would hope that the subcommittee will give serious consideration to the concerns of states with smaller programs so that they can continue to address these unique health hazard concerns.

Again, thank you for the opportunity to present this testimony.

STATEMENT OF
CONGRESSMAN THOMAS J. DOWNEY
SUBMITTED TO THE

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON INTERIOR

U.S. HOUSE OF REPRESENTATIVES

April 17, 1986

Mr. Chairman, distinguished Members of the Subcommittee, I would like to thank you for the opportunity to share my comments regarding the Fiscal Year 1987 budgets for the National Endowments for the Arts and Humanities (NEA and NEH) and the Institute of Museum Services (IMS).

The Arts in America: A 1980s Assessment

This past year marked the twentieth anniversary of the National Foundation on the Arts and Humanities. Throughout the year, celebrations were held in nearly every state, and individuals took the time to assess the accomplishments of the past two decades. The National Endowments for the Arts and Humanities -- with the addition of the Institute of Museum Services, created in 1976 -- have symbolized our government's recognition of the importance of the arts and humanities to American society.

This federal commitment is an essential part of our Nation's network of cultural support which includes all levels of government, corporations, foundations, and individuals. Each of these components is vital to maintaining America's burgeoning cultural vitality. Over the past year, corporations, foundations, and individuals have continued to increase their support, while the federal government's share in direct funding has decreased. State governments, on the other hand, increased their support to state arts agencies by 25.5 percent. For FY '86, according to a survey by the National Assembly of State Arts Agencies (NASAA), state arts appropriations will surpass $200 million, while the federal government's share, through NEA, NEH, and IMS, will decline by 4 percent to $312 million. According to a study by the Theatre Communications Group (TCG), Theatre Facts 85, federal support -- once the leading source of theatre funding -- now covers just 4 percent of expenses.

A 1985 study by Dr. J. Mark Davidson of Massachusetts Institute of Technology compared government funding of the arts in eight countries. Both direct and indirect (tax incentives) funding was included. Canada, the Federal Republic of Germany, France, the Netherlands, and Sweden all provided approximately $30.00 per capita to the arts. The figure for the United States was only $13.00, and that is high because the only available data includes support for the humanities as well as the arts.

We must not allow our direct support for cultural programs to waiver, particularly when changes involving our indirect support through tax incentives are currently being considered in Congress. This direct support becomes even more important as arts groups cope with continually rising postal rates and the possibility of further rate increases under the Administration's FY '87 budget proposals. Since December 31, 1985, bulk mailing rates increased by 45 percent.

Over the past twenty years direct federal cultural support through our National Endowments -- although a tiny portion of our entire budget -- has grown steadily with strong bipartisan encouragement. Continually strong in Congress, this commitment has been questioned by the Reagan Administration each year since 1981. For FY '87, the Administration once again has set forth proposals to cut the budgets of NEA and NEH and to eliminate the IMS, and -- as in the past -- we must continue our strong opposition against them.

Continuing Cultural Deficits

Since 1981, arts and humanities institutions across our country have attempted to maintain programs serving all segments of society in the face of decreasing assistance from the federal government. When measured in constant dollars to account for inflation, the FY '85 budget of NEA should have reached $190 million. That year NEA received just over $163 million, and that figure was held for FY '86 with an additional decrease of 4.3 percent as a result of the Gramm-Rudman-Hollings law. This actual decrease in constant dollars has forced federal cultural agencies to eliminate various grants and reduce others. Loss of this vital support perpetuates the cultural deficit common to our nation's nonprofit arts and humanities institutions.

The TCG study, Theatre Facts 85, shows that while both earnings and expenses over the past five years of a sample group of TCG theatres increased by 61 percent, contributions grew only by only 51 percent. Robert Holley, the author of the study, notes that "the focus is shifting more and more each year to survival. If the remainder of the decade is anything like the past five years, the nonprofit professional theatre movement may -- of necessity -- undergo a radical re-shaping of its goals and operations."

Similar trends are evident in the field of opera. During the 1983-84 season, opera companies registered the highest income gap in six years, according to a recent survey by OPERA America. During that time, the number of opera companies with deficits grew from 34 to 43, and the total national deficit more than doubled -- rising to $10.9 million. OPERA America's Profile: 1985 states: "On several fronts there is cause for serious concern . . . what is lacking today is a stability in sources of support that is necessary for the kind of long-term planning required by such a complex artistic enterprise as opera."

The 1985 Annual Report from the American Symphony Orchestra League (ASOL) indicates a similar trend for our nation's orchestras:

1. The aggregate net deficit for orchestras **tripled** from 1982-83 to 1983-84. Twenty-two of the thirty major orchestras posted significant deficits at the close of that season.
2. While private sector giving has risen over the past five years as a percentage of total income, the rate of growth in private sector giving has steadily declined. And last year, it dropped below the rate of growth in expenses.

3. The cost of raising money has increased significantly. Five years ago, these costs represented 7.2 percent of monies raise. Last year, development costs were 10 percent.
4. The number of concerts given by orchestras has declined. Orchestras presented 1,111 fewer concerts last year than they did five years ago. Most significantly, reductions are in a very important area, in touring and in the outreach programs.

In the field of dance, outreach programs are also beginning to be reduced. Dance/USA's survey Dancedata; Trends in Professional Dance -- FY '84 states: "While touring continues to be a vital part of a dance company's existence, the costs continue to escalate." Considering that nearly half of Dance/USA's surveyed members reported deficits, touring is especially difficult for these companies.

Our museum community is also struggling to meet the increasing demand for services while coping with rising operating costs. The potential loss of the Institute of Museum Services poses an additional threat. In his statement before this Subcommittee in March, President of the Metropolitan Museum of Art William Macomber noted: "It is indeed regrettable that once again the Administration is seeking to eliminate funding for the IMS, this small but very important agency. . . . IMS conservations grant support is also extremely important at a time when the full extent of conservation needs in our nation's museums are finally beginning to be realized."

Mr. Chairman, the preservation of our cultural heritage is extremely critical and was dramatically pointed out to me, as well as several other Members of the Congressional Arts Caucus, on a recent visit to the New York Public Library. Dr. Vartan Gregorian, President of the Library, outlined the enormous problem of preservation of books being published over the last century. Millions of volumes, printed on paper with high acid content, are rapidly deteriorating. The Library estimates that as many as one-half of the books on the shelves of the Library are in need of some form of preservation. According to a publication of the Library, "If the nation's written records are to survive, a substantially larger national commitment is needed."

Another area of critical need -- of particular importance in light of current world tensions -- is international cultural exchange. Both Endowments -- each with small international programs -- could do much more to promote international understanding through the arts and humanities, if given the resources. Cultural programs have the unique ability to bring people of different nationalities together. Through the arts we share our common dreams, ideals, and emotions; gain a greater understanding of each other's cultural heritage; and ultimately facilitate efforts toward peace.

FY '87 Budget Request

All of the above concerns and needs -- from direct support to cultural organizations, artists, and scholars to preservation programs and projects fostering international understanding -- must be considered as this Subcommittee sets figures for the budgets of our cultural agencies for FY '87.

I find it unbelievable that the Administration has proposed to decrease the budget of the NEA from $165.661 million (currently $158.538 million under Gramm-Rudman-Hollings) to $144.9 million; that of NEH from $138.641 million (currently $132.679 million under Gramm-Rudman-Hollings) to $126.44 million, and to eliminate the IMS entirely. Given the vital importance of these agencies and the many current cultural needs of our society, maintenance -- at the very minimum -- would clearly be reasonable. Careful overall budget adjustment, however, could even provide modest increases in these important programs.

This Subcommittee recently heard testimony from representatives of our national arts and humanities community. Representatives of large and small cultural institutions, state arts and humanities councils, state and local governments, corporations and foundations. All were united in their praise for our federal cultural agencies and in their suggestions that our government could do more -- even in this era of mammoth federal budget deficits.

All witnesses stressed that the federal government's share should remain small but steadfast. In her statement before this Subcommittee, Barbara Schaffer Bacon, Executive Director of the Arts Extension Service at the University of Massachusetts, outlined the critical role of NEA and the federal government as partners in arts development. She discussed the partnership provided by NEA's Test Program of Support for Local Arts Agencies -- "a highly successful mechanism for increasing participation in and support for the arts from local government." This program has generated $27 million in local government matching from a $6 million federal investment over three years. Programs like this remain a priority at the Endowments, and the Endowments themselves should be considered more of a priority within our entire federal budget.

The Administration's FY '87 budget of $994 billion provides only .05 percent for all our major cultural programs: NEA, NEH, IMS, the Smithsonian Institution, National Gallery of Art, Arts in Education, and the Commission of Fine Arts. A change of 1/100 of one percent -- or even 1/1000 of one percent -- would begin to move our priorities in the right direction.

More and more Americans agree that our budget priorities should shift. Comments similar to those of the witnesses before this Subcommittee were expressed to me personally and to several other Members of the Congressional Arts Caucus in a recent visit to a variety of arts organizations in New York City. At the Billie Holiday Theatre, we heard how important federal funding was to bring the joy and enlightenment of theatre to the heart of Bedford-Stuyvesant.

At the Bedford-Stuyvesant Dance Theatre, we saw children experiencing the exhilaration of dance -- an opportunity they would never have had if it were not for the various federal programs stimulating urban redevelopment and expansion of cultural institutions to a traditionally underserved population.

By diminishing support for NEA, NEH, and IMS, small local organizations across the country, similar to those we visited in New York, would be forced to eliminate programs that provide quality cultural opportunities for persons of all ages and income levels. At the same time, large institutions would lose funding which allows them the opportunity for creative "research and development," so necessary to a thriving artistic community.

Mr. Chairman, you and your distinguished Subcommittee, deserve the highest praise for your continued support for our federal cultural programs. I urge you to maintain that support to help our cultural community meet its fiscal and artistic needs. Although our country has a heritage of private support for the arts and humanities, in order to provide cultural opportunities for all Americans in our twentieth-century society, this private support needs the small, but vital nurturing from our federal government.

Arthur Schlesinger, Jr., Professor of the Humanities at the City University of New York, agrees. In a recent Op-Ed article in the New York Times he stated: "Government cannot create civilization. Its action can at best be marginal to the adventure and mystery of art. But public support reinvigorates the understanding of art as a common participation, a common possession, and a common heritage."

Mr. Chairman, all our citizens need to share this common American heritage, and continued strong support from our federal government is the only possible way.

James M Jeffords

TESTIMONY OF THE HONORABLE
JAMES M. JEFFORDS
before the House Appropriations Committee,
Subcommittee on Interior
April 17, 1986

Mr. Chairman, members of the Subcommittee, thank you for the opportunity to once again give testimony on programs under the jurisdiction of this subcommittee. Specifically, I would like to discuss proposed funding levels for the Land and Water Conservation Fund, National Park Service river assistance program, the National Endowments for the Arts and Humanities, the Institute of Museum Sevices, and the National Trust for Historic Preservation.

Land and Water Conservation Fund

As in previous testimony before this subcommittee, I wish to express my support for the Land and Water Conservation Fund, one of the most successful programs in the Interior Department, and for a level of funding for this program that will ensure its continued effectiveness. Your support of the LWCF in the past has been commendable and very much appreciated.

I would like to address three particular issues with respect to the LWCF: land acquisition by the U.S. Forest Service, the Appalachian Trail Project and the state grants portion of the fund.

Use of the LWCF for Forest Service acquisitions is very important for consolidation of National Forest lands to improve the cost-effectiveness of management capabilities and facilitate the effective implementation of management plans. In my mind, it is essential that funding for federal land acquisition under LWCF include an adequate allocation for the Forest Service.

Specifically, a modest $120,000 has been earmarked for the acquisition of four parcels in the Green Mountain National Forest, one of which is located within the Bristol Cliffs Wilderness Area. The Forest Service has indentified these areas as high priority acquisitions in their planning efforts. I hope you will give them your full consideration when establishing a funding level for the Forest Service under LWCF.

At this time, I want to again thank you for all your help and assistance in securing funds for purchases by the Green Mountain National Forest this year. In particular, the acquisition of the International Paper Timberland tract in Stratton will protect the eastern border of the Lye Brook Wilderness and offer protection for the Appalachain Trail/Long Trail corridor in a region of Vermont which is under intense development pressures.

On the Appalachain Trail Project, Mr. Chairman, I would like to reiterate my support and urge that funding continue to be provided through the LWCF to the National Park Service and the Forest Service to complete this scenic and historic natural link between the North and South as soon as possible. Recent development activities in Vermont, particularly in association with ski areas, have made it all the more apparent that we need to secure protection for those sections of the trail that remain outside of Park Service or Forest Service jurisdiction. In some areas, buffer zones previously thought to be an adequate protection for the trail have proven to be insufficient, resulting in significant hiker/property owner contact.

On past occasions, I have come before the Subcommittee to express my support for the state grants portion of the LWCF and to urge you to restore funding for this program. Today, I want to reaffirm my support for this program.

Since this program's inception in 1965, over $2.9 billion in federal money has been used to purchase more than 2.75 million acres of state and local lands for open space and recreational purposes and to develop over 29,000 outdoor recreation projects. In my own state of Vermont, the LWCF has assisted in 425 state and local projects.

These projects not only create recreational opportunities but provide wildlife habitat, farmland and open space protection as well. In Vermont, we have seen the value of a balanced approach to development and environmental protection to the preservation of the character and economic health of our state. The state grants program of the LWCF is an effective and popular tool in helping to achieve this balance. I urge you to continue to support this program.

National Park Service River Assistance Program:
I would like to briefly touch upon the need for full funding of the National Park Service's State and Local River Conservation Assistance program (SLRCA). This program allows Park Service personnel to assist states and local organizations in developing river conservation strategies. This is very important as our remaining free-flowing, undeveloped rivers continue to feel the pressures of development along their shores, increased recreational use and potential hydroelectric projects. It is critical that we continue to be able to make well-informed decisions regarding the future of these waterways.

The State of Vermont has had the benefit of this assistance in preparing the Vermont Rivers Study, which is now complete and ready for release. This study documents and quantifies the diverse values of Vermont's streams and will be an invaluable tool as we move ahead in the state to protect this critical resource in the next few years.

James M. Jeffords April 17, 1986

In addition, the Park Service has assisted in planning for the Battenkill, one of the great trout streams of eastern America. Once again, the emphasis has been on local direction and control of the river, but with the Park Service playing the critical role of facilitator and producer of written materials. Citizens of my state are tremendously appreciative of the Park Service effort. I urge you to support a level of funding for the SLRCA that will ensure its continued involvement and effectiveness in similar projects in other states.

National Endowment for the Arts and Humanities and the Institute of Museum Services:

As Co-chairman of the Congressional Arts Caucus, and a longtime supporter of the arts, I would like express my support for continued funding of the National Endowments for the Arts and Humanities and the Institute of Museum Services in the coming fiscal year. The National Endowments fill an important, dual role in stimulating development and access to the arts across our nation, while also providing a significant catalyst for private support of the arts.

As you know, the National Endowment for the Arts has requested funding of $144.9 million for fiscal year 1987. That will provide grants to individual artists and groups, in every discipline, working in rural areas, small cities, and major urban centers. The enrichment of the arts provided through these grants alone is significant. When coupled with over $4 billion in private contributions made to the arts over the course of the year, you see support for the arts multiplied over twenty-fivefold. To put this in perspective, it is important to note that prior to the establishment of the National Endowment for the Arts in 1964, the total private giving for the arts was estimated at only $205 million.

On numerous occasions I have heard from Vermont organizations and individuals about their personal involvement with the National Endowments and the IMS. These people -- ranging from the museum curator, to the casual art enthusiast, to the studio artist -- join in unreserved support for these programs. They also share in the belief that the arts and humanities, as a reflection of ourselves as a culture and society, are essential and deserve continued support.

In a rural state, like Vermont, the benefits of the National Endowments and the IMS in sparking artistic expression and activities are even more pronounced. While far-removed from our nation's cultural centers, rural residents have the same appreciation and desire for cultural activities and events as city dwellers. In meeting this need, the National Endowments provide the stimulus that enriches our rural areas and defies those who claim that these areas are "void" of culture. The IMS, in partnership, supplies critical support for museums dedicated to preserving the heritage and showcasing the artwork of rural America.

Just recently I learned of a grant that has been awarded to the Vermont Council on the Arts to support the production of a video tape to capture the traditional handwork of Vermont. In the past, the music, artwork, and dance that has been supported by the Endowments in my home state have touched every facet of the artworld. These projects are a testimony to the artistic spirit of rural Americans and the invaluable contribution of the Endowments. In closing, I would urge you to continue to support the National Endowments for the Arts and the Humanities and the Institute of Museum Services.

National Trust for Historic Preservation:

Finally, Mr. Chairman, I would like to express my support for continued funding of the Historic Preservation Fund. This fund provides money with which state governments implement federal historic preservation programs. This includes the certification of work under the rehabilitation tax incentives program, nomination of properties for inclusion in the National Register of Historic Places, and the development of a comprehensive Historic Preservation Plan.

This program has been successful in stimulating investment from the private sector and providing the economic boost necessary to revitalize countless downtown business districts. The Historic Preservation Program in Vermont has been responsible for major revitalization efforts in Rutland, Burlington, St. Johnsbury, Hardwick, St. Albans, Montpelier, Bellows Falls, and Bennington, to name a few. It has been estimated that every dollar from the Historic Preservation Fund produces as much as $60 in historic preservation activities.

The House of Representatives, in choosing to extend rehabilitation tax credits for certified historic buildings, has reaffirmed its support for historic preservation. I urge members of the subcommittee to provide the level of funding necessary for states to carry out these important historic preservation programs.

Again, Mr. Chairman, thank you for the opportunity to testify before your subcommittee.

James M. Jeffords April 17, 1986

Statement of the Honorable Bob McEwen before the Appropriations Subcommittee on Interior

April 17, 1986

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to call your attention to an important situation at the Mound City Group National Monument in Chillicothe, OH. The new site, called the Hopeton Earthworks, is a National Historic Landmark. The funding authorized for this site is urgently needed to protect its archeological resources from continued degradation.

The existing Monument was established by Presidential Proclamation in 1923 and was transferred from the War department to the National Park Service in 1933. It commemorates the Hopewell Mound Builders whose culture flourished for approximately 900 years--from 300 B.C. to about A.D. 600. Items from as far away as the Gulf Coast, the Rocky Mountains, Michigan, and the Applachians were crafted into superior objects and ornaments that were integral to their religious ceremonies.

Action by the Congress in 1980 enlarged the boundary of the park to include the Hopeton Earthworks just across the Scioto River from the existing Monument. The Earthworks offer the best opportunity for further scientific research since this site is believed to have been the religious center for the culture.

We must act now to protect the valuable resources within this site from the effects of farming activities. According to information included in the Draft Land Protection Plan recently issued by the Monument personnel: "Continued plowing of this site will eventually result in the destruction of all qualities which make it a National Landmark. Application of modern chemicals alter the chemistry of the soil, making interpretation of archeological deposits difficult and perhaps increasing the disintegration rate of organic artifact remains. As plowing and subsequent erosion expose these fragile remains, mechanical weathering will result in further fragmentation and ultimately render them unidentifiable. Termination of destructive types of agriculture, i.e., field cropping, in the resource area is mandatory under any responsible plan for long term conservation of the archeological resource."

This situation has caused the Hopeton site, a designated National Historic Lankmark since 1964, to be placed on the list of Damaged and Threatened National Historic Landmarks required by Section 8 of the General Authorities Act of 1976.

Mr. Chairman, I urge you to include the 450,000 thousand for the purchase of the 70-acre Hopeton Earthworks site in Interior's 1987 fiscal year budget. We can not expect the owners of the property to stop all farming operations until the Government buys the property.

The land protection plan for the site is scheduled to be completed late this summer. Nevertheless, the draft plan now circulating recommends that the land be acquired in fee, based on the specific requirements of the authorizing legislation. There is little question, therefore, that the final land protection plan will also recommend that the Hopeton site be acquired in fee.

Mr. Chairman, thank you again for the opportunity to testify in behalf of this outstanding Monument. I urge this subcommittee to appropriate the full 450,000 authorization for the urgently needed acquisition of the Hopeton Earthworks at Mound City Group National Monument.

STATEMENT OF CONGRESSMAN DANTE B. FASCELL BEFORE THE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS

April 17, 1986

Mr. Chairman, I appreciate having this opportunity to submit a statement in behalf of land acquisition for parks and wildlife refuges in the 19th District of Florida. I will also address the Department of the Interior's plans with regard to oil leasing in the Eastern Gulf of Mexico.

At a time of record budget deficits, we are all faced with extremely hard funding decisions and you must make some of the most difficult of all, as you consider so many worthy projects around the nation. Fortunately, thanks to your past wisdom, funding for most of the major projects in South Florida has been completed. I am particularly grateful for your long support for the Biscayne National Park and the Crocodile Lake National Wildlife Refuge, both of which should be able to wrap up their land acquisition programs with 1986 funds.

As you know, the **Big Cypress National Preserve** acquisition remains unfinished although, again thanks to you, much progress has been made. It is estimated that $600,000 is required in Fiscal Year 1987 to purchase the remaining 65 tracts, consisting of 2,000 acres. These funds should be appropriated on a priority basis as this project is many years past the congressionally-mandated deadline for completion. Property owners have been treated most unjustly by the administration's failure to promptly compensate them for land they can neither develop nor sell privately.

In the **Key Deer National Wildlife Refuge**, $5 million is needed to acquire approximately 1,000 acres on No Name Key and Big Key. These areas are threatened and should be acquired to ensure the continued protection of this endangered species. While I realize that it is unrealistic in these days of drastic budget cuts to expect to get the entire $5 million in FY 87, I would urge that as much of this amount as possible be approved so the acquisition program can continue and at least some of the lands can be acquired and protected.

Both these projects have been supported in the "Conservation Alternative," a report issued by twelve leading national conservation and environmental organizations.

I also fully support the State of Florida's request for continued acquisition of the Florida Panther National Wildlife Refuge. While this is not in my district, it is of the highest priority in the state and represents a joint federal-state effort to save this extremely endangered species. It is estimated that only 30 breeding panthers remain in South Florida and it would indeed be a tragedy if this beautiful species were to become extinct due to man-made activities which are destroying the panther's natural habitat.

Finally, I would like to say a few words about the Department of the Interior's future plans regarding offshore oil and gas leasing in the Eastern Gulf of Mexico. I am very pleased with the Department's recent decision to suspend operations in the area south of 26 degrees North latitude until the three years of biological, physical and geographical data which have been gathered have been fully analyzed, as mandated under the FY 1984 Interior Appropriations bill. As I have advised the Subcommittee in the past, this area holds some of the most sensitive environmental resources and valuable fishing areas in the State of Florida.

It is my understanding, however, that the Minerals Management Service will not release the third year of the data to the State of Florida and industry prior to its offical release in late 1987. This information is vital to reasoned decision making on future permitting activities south of 26 degrees North. I would urge MMS to share this information with the State and the oil industry in an expedited manner. In addition, I do not believe that the three years of data that were gathered in the 40 to 80 meter zone can or should be assumed to represent the areas in the 20 to 40 meter zone, further to the east. Two years of data have been gathered in the 20 to 40 meter zone and a third year of data is necessary, in my view, to adequately determine the potential effects of oil and gas exploration in the area. Congress intended that data be gathered and analyzed from throughout the area south of 26 degrees North, not just in the 40 to 80 meter zone.

I would also like to to comment on the Department's proposed five-year leasing schedule in the eastern Gulf of Mexico, which is required under the Lands Act Amendments of 1978. First of all, I would urge the Department to follow the recommendations of the OCS Policy Committee and develop a five-year environmental studies program to accompany the five-year schedule. It seems to me that this would alleviate many of the problems we have dealt with in offshore leasing decisions in the early 1980s. Putting an area up for lease prior to gathering any environmental data is putting the cart before the horse.

After extensive consultations with Florida Governor Graham and prior to Lease Sale #94, which was held last December, Secretary Hodel agreed to delete a number of areas in the Eastern Gulf of Mexico which were deemed too environmentally sensitive. The Secretary has recommended the deletion of some of these areas from the proposed five-year plan. However, the Department intends to offer some of these same areas once again and would offer leases for the first time in the areas south of 25 degrees North latitude and east of 82 degrees longitude. On balance, this represents a major expansion of the areawide offshore leasing program in the Eastern Gulf and for the first time would open areas surrounding the Florida Keys and the Florida Straits.

I oppose any future leasing around the Florida Keys and in the Florida Straits and urge that these areas be deleted permanently from any future sales. The only growing coral reef in the United States is found in this area and the potential damage to the environment and the fishing industry from an oil spill would be enormous. No environmental data have been gathered and analyzed so as to assist DOI and the State of Florida in making reasoned decisions regarding the wisdom of leasing in this area.

Further, the international tanker traffic in this area already places a heavy burden of responsibility for the clean up of any spill from these sources. There is a real question of containment of an oil spill if it occurs in this area. Based on the existing knowledge of oil spill containment methods, dispersants would be the only feasible method of keeping oil from drifting ashore. There is concern about the effects of these dispersants on the local environment. The State of Florida has requested that a study (#G-739) be conducted immediately to determine the toxicity of dispersed oils and dispersants on seagrasses, mangroves and certain fisheries species. Unfortunately, the Minerals Management Service has removed this study from its Fiscal Year 1986 and 1987 programs. This information is vitally important to any future leasing decision off the Southwest Florida coast and I would urge MMS to begin and expedite the study.

I am also concerned that the Department of the Interior does not intend to bring this issue fully before the people of South Florida, prior to approval of the five-year leasing schedule. The Minerals Management Service did hold a public hearing on the plan in Tallahassee, Florida on April 8th; however, there was little or no attendance from South Florida where most of the areas of potential concern lie. The State of Florida has repeatedly requested that more hearings be held throughout the State. I, too, have requested that DOI hold a second hearing on the proposed five-year schedule in the Florida Keys so that the concerns of South Floridians, who would be most directly affected by the plan, can be adequately heard.

I have long been interested in OCS leasing decisions, especially as they might adversely affect the Everglades and the Florida Keys. Every year since 1983 the Florida Congressional Delegation has taken DOI to task for offering the very same areas for lease after the Department and the State have agreed upon deletions. Industry has had thirteen years and seven lease sales in which to make its areas of interest in the Eastern Gulf well-known. It makes no sense to revisit areas of little or no industry interest year after year, after hard-fought deletion agreements have been reached. The areawide leasing approach has made for a great deal of conflict among the States, the Congress and the Minerals Management Service. I would suggest that a return to the nomination process, where we might identify areas of heavy industry interest up front, is in order.

Again, my thanks for your past generosity and consideration.

NINETY-NINTH CONGRESS

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U.S. House of Representatives
Committee on
Merchant Marine and Fisheries
Room 1334, Longworth House Office Building
Washington, DC 20515

April 17, 1986

The Honorable Sidney R. Yates, III
Chairman
Subcommittee on Interior
B308 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Yates:

Mr. Chairman, I am sorry that I was unable to appear before your Subcommittee today, as I had planned to discuss the FY '87 budget for the U.S. Fish and Wildlife Service. The Views and Estimates my colleague, Congressman Breaux, submitted which our Subcommittee developed concerning the FY '87 budget for the U.S. Fish and Wildlife Service I feel are both prudent and responsible to the priority needs for the conservation and management of our nation's valuable fisheries and wildlife resources. The final estimate that our Subcommittee agreed to is a modest increase over the level recommended by the Administration, though I feel that it is indeed necessary in helping to monitor effective programs and in providing leadership for the Fish and Wildlife Service.

The additional written comments that were provided explain in detail the views and estimates that we are requesting. There are three areas that I would like to briefly address. The first two directly impact on the State of Alaska. In the President's proposed FY '87 budget, one specific account has a proposed reduction that would eliminate reimbursement to the State for implementing the subsistence provisions (Title VIII) of the Alaska National Interest Lands Conservation Act (ANILCA). This account should not be looked at as a simple state grant program, for it is aimed at implementing Federal law by the state in lieu of the Federal Government, and the state should be compensated for its efforts. These funds allow advisory committees and regional councils, as mandated by ANILCA, to play a meaningful role in the regulation and management of Alaska's fish and game. Their involvement provides both the data necessary in reviewing proposed regulations concerning the subsistence uses by rural Alaskans on public lands and the basis for the councils' final decisions. A loss of Federal funds could result in less informal regulatory proposals and decisions with the possible results being detrimental to both the fish and wildlife resource and the public. The restoration of these funds is a high priority for the State.

The second area involves a proposed reduction in program activities concerning Arctic nesting geese populations and their productivity. In FY '85, the Service initiated an aggressive program to address management concerns of the Yukon Delta National Wildlife Refuge and adjacent areas. Much of the early emphasis in the program was towards the development of educational material to be used by native village teachers. The proposed reduction for the program will interrupt these efforts and will not allow needed teacher training workshops to be held and will severely impact on material availability. It has been noted the last several years that several populations of Canadian geese are declining -- some of which nest in these areas. Also, noting a recent court decision relaxing restrictions concerning the take of waterfowl by natives, I would like to point out that the timing for this type of reduction is unwise and could severely impact on the resource. I would urge that these funds be reinstated as indicated in the Views and Estimates of the Subcommittee.

The final area I would like to briefly mention addresses not a program funding request but, more specifically, a proposed reduction of full-time equivalents (FTE's) to administer the program. In the President's FY '87 budget, both the Sport Fish Restoration Account and the Federal Aid Wildlife Restoration Account include a 52 percent reduction of FTE's. What is ironic with this proposal is that this reduction or savings in administrative costs is being proposed to be passed on to the states with even state fish and wildlife agencies recommending against the cut in Federal FTE's, foregoing the additional state project funds. This reduction would severely impact on fish and wildlife project processing, monitoring, grant assistance, and overall program support. For FY '87, the Sport Fish Restoration Account will increase by more than $40 million, coupled with the fact that a number of states are attempting to prepare comprehensive plans which will necessitate that existing staff levels remain the same to properly maintain the program. Further, the funds for these programs come from fees paid by boaters, fishermen, and hunters, and there is a need to closely monitor these expenditures to ensure that the states fulfill their commitments to the people paying these fees. Our Members see this reduction as unnecessary and recommend that present FTE levels be maintained for the Sport Fish Restoration Account and the Federal Aid Wildlife Restoration Account for FY '87.

I am hopeful that the Views and Estimates the Subcommittee on Fisheries and Wildlife Conservation and the Environment has developed will be of assistance to you.

Sincerely,

Don Young
Ranking Minority Member
Subcommittee on Fisheries
and Wildlife Conservation
and the Environment

DY:tmd

STATEMENT OF HONORABLE DON YOUNG

MR. CHAIRMAN, THANK YOU FOR THE OPPORTUNITY TO TESTIFY BEFORE YOUR COMMITTEE. I WOULD ALSO LIKE TO THANK NEIL SIGMON AND YOUR STAFF FOR THEIR SUPPORT. CERTAINLY THE COMMITTEE WHICH I REPRESENT ENCOURAGES AND APPRECIATES THE COURTESY AND COOPERATION.

CHAIRMAN JOHN BREAUX AND I HAVE SUBMITTED A JOINT STATEMENT REPRESENTING OUR MUTUAL CONCERN OVER THE APPROPRIATONS FOR THE FISH AND WILDLIFE SERVICE. I PROPOSE TO ADDRESS IN THIS STATEMENT ONLY MY CONCERNS CONCERNING THE BUDGET REQUEST SUBMITTED BY THE ADMINISTRATION FOR THE INTERIOR DEPARTMENT. MY CONCERNS ARE PRINCIPALLY ON THOSE ITEMS CONCERNING ALASKA. IN GENERAL, I SUPPORT THE ADMINISTRATION'S BUDGET, HOWEVER, I WOULD LIKE TO COMMENT ON ALASKA NATIVE PROGRAMS, EXCHANGE AUTHORITY AND BOUNDARY ADJUSTMENTS, THE ADMIRALTY ISLAND NATIONAL MONUMENT NEGOTIATIONS, THE INSTITUTE OF NORTHERN FORESTRY, AND THE ALASKA LAND USE COUNCIL. I WILL SUBMIT, WITH YOUR PERMISSION MY RECOMMENDATIONS ON APPROPRIATIONS FOR ACQUISITIONS FOR THE RECORD.

ALASKA NATIVE PROGRAMS

I STRONGLY URGE THE SUBCOMMITTEE TO RESTORE THE PROGRAMS FUNDS ELIMINATED BY THE ADMINISTRATION FOR BUREAU OF INDIAN AFFAIRS SERVICE PROGRAMS IN ALASKA. TOTALLING A $12 MILLION DECREASE FROM FY 86, THESE FUNDS ARE NECESSARY TO MAINTAIN MINIMUM SERVICES IN ALASKA. IN ADDITION, THE ADMINISTRATION HAS NOT TO DATE PROVIDED A REASONABLE BASIS FOR SINGLING OUT ALASKA NATIVES TO RECEIVE PROGRAM CUTS WHICH ARE NOT APPLIED TO OTHER STATES.

FOR THESE REASONS, BOTH THE MAJORITY AND MINORITY OF THE INTERIOR COMMITTEE HAVE RECOMMENDED RESTORATION OF THE BUREAU OF INDIAN AFFAIRS (BIA) SERVICE FUNDS IN ALASKA. THIS RESTORATION WOULD REQUIRE AN ADDITION OF $11.7 MILLION TO THE PRESIDENT'S BUDGET REQUEST FOR THE BIA.

THIS LEVEL OF APPROPRIATION WOULD CONTINUE TO MAINTAIN THE ELIGIBILITY OF ALASKA NATIVES FOR NATIVE AMERICAN PROGRAMS WHICH APPLY TO ALL OTHER STATES. THIS ELIGIBILITY IS MAINTAINED BY ALL AUTHORIZING STATUTES ENACTED FOR NATIVE AMERICAN PROGRAMS IN THE PAST 20 YEARS.

WITH REGARD TO THE INDIAN HEALTH SERVICE (IHS) BUDGET REQUESTS, I THINK ALL OF US FAMILIAR WITH THESE PROGRAMS ARE CONCERNED THAT THE ADMINISTRATION'S PROPOSALS FOR 1987 FAR EXCEED THE TYPE OF FISCAL RESTRAINT WHICH CAN BE ABSORBED IN ONE YEAR. I WOULD URGE THE SUBCOMMITTEE TO PROVIDE AN OVERALL LEVEL OF FUNDING FOR IHS PROGRAMS EQUAL TO FY '85. A BUDGET FREEZE IS, AT MOST, ALL WE CAN ASK FOR FROM HEALTH PROGRAMS WHICH ARE CRITICAL TO THE WELL-BEING OF NATIVE AMERICANS. TO IMPOSE BUDGET REDUCTIONS OF NEARLY $200 MILLION IS ASKING FOR TOO MUCH FROM ONE SEGMENT OF OUR SOCIETY.

EXCHANGE AUTHORITY AND BOUNDARY ADJUSTMENTS

I URGE THE COMMITTEE TO REFRAIN FROM PRECLUDING THE USE OF MONIES FOR PURPOSES OF NEGOTIATING EXCHANGES AND/OR BOUNDARY ADJUSTMENTS FOR CONSERVATION SYSTEM UNITS IN ALASKA. CONGRESS RECOGNIZED WITH THE PASSAGE OF THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT (ANILCA) THAT THE LARGE SIZE OF THE UNITS MEANT THAT SOME ADJUSTMENTS WOULD BE NECESSARY IN THE FUTURE, AND GAVE FLEXIBILITY TO THE LAND MANAGERS THROUGH SECTIONS 103(B) AND 1302(H) TO CRAFT EXCHANGES AND BOUNDARY ADJUSTMENTS WHICH WOULD EASE MANAGEMENT AND MAKE POSSIBLE GREATER RESOURCE PROTECTION.

ALTHOUGH SOME USES OF THESE PROVISIONS HAVE BEEN CONTROVERSIAL AND RESULTED IN COURT ACTIONS, OTHERS HAVE BEEN UNIVERSALLY SUPPORTED FOR THEIR POSITIVE CONTRIBUTION TOWARDS RESOURCE PROTECTION AND MANAGEMENT OF THE UNITS. IN SHORT, I WOULD URGE THE COMMITTEE TO NOT "THROW THE BABY OUT WITH THE

BATHWATER". RESTRICTION OF THIS AUTHORITY WOULD MEAN THAT MANAGERS COULD NOT SEEK RESOURCE MANAGEMENT SOLUTIONS AND MIGHT PRECLUDE THE ADDITION OF SIGNIFICANT ACREAGES OF HIGH QUALITY CONSERVATION LANDS TO THE FEDERAL LAND BASE IN ALASKA.

ADMIRALTY ISLAND NATIONAL MONUMENT NEGOTIATIONS

I URGE THE COMMITTEE APPROPRIATE THE NECESSARY FUNDS TO CARRY OUT P.L. 99-235, REQUIRING THE SECRETARY OF AGRICULTURE TO NEGOTIATE A POSSIBLE LAND EXCHANGE WITH SHEE ATIKA, INC., AN ALASKA NATIVE CORPORATION WHICH WAS GRANTED ITS LAND SELECTIONS ON ADMIRALTY ISLAND BY ANILCA. THE PARTIES TO THE DISPUTE OVER THESE LANDS ARE CURRENTLY NEGOTIATING FOR A POTENTIAL FINAL SOLUTION TO THE ISSUE OF TIMBER HARVESTING ON ADMIRALTY ISLAND, AND FUNDS WILL BE NECESSARY TO CONSUMMATE ANY EVENTUAL AGREEMENT WHICH WOULD BE ADVANTAGEOUS TO THE ALASKA NATIVES AND OTHER

INTERESTED PARTIES. ALTHOUGH I AM RELUCTANT TO SPECIFY AN AMOUNT APPROPRIATE TO THE TASK, IT IS MY BELIEF THAT CHAIRMAN SEIBERLING'S REQUEST FOR THESE PURPOSES IS WITHIN THE FRAMEWORK OF ANY POSSIBLE FOREST SERVICE RESOLUTION OF THIS LONG-STANDING CONTROVERSIAL ISSUE. I SUPPORT CHAIRMAN SEIBERLING.

INSTITUTE OF NORTHERN FORESTRY

THE ADMINISTRATION REQUEST FOR FY 87 HAS PROPOSED ZEROING OUT FUNDS FOR THE INSTITUTE OF NORTHERN FORESTRY IN FAIRBANKS, ALASKA. THE INSTITUTE PROVIDES INVALUABLE INFORMATION ON THE INTERIOR FOREST RESOURCES OF ALASKA, AND IS SUPPORTED BY ADVOCATES FOR TIMBER MANAGEMENT AND ENVIRONMENTAL PRESERVATION. ASIDE FROM THE OBVIOUS POINT THAT IF ONE CAN GET THESE GROUPS TOGETHER ON AN ISSUE HE MUST BE DOING SOMETHING RIGHT, THERE IS AN OVERRIDING CASE TO BE MADE FOR THE FULL FUNDING OF THE

INSTITUTE. DUE TO ALASKA'S RECENT ENTRY INTO THE UNITED STATES AND OUR ENORMOUS LAND MASS, MANY STUDIES RELATING TO THE UNIQUE ENVIRONMENTAL CONSEQUENCES OF FORESTRY IN ALASKA LAG FAR BEHIND THOSE CONDUCTED IN THE LOWER '48.

THE INSTITUTE OF NORTHERN FORESTRY HAS A WORLD-WIDE REPUTATION FOR ITS EXCELLENCE IN PROMOTING UNDERSTANDING OF THE RESOURCE ON A SHOESTRING BUDGET. RESEARCH IS ONLY NOW BEGINNING TO DEFINE THE EXTENT OF THE ARCTIC AND SUB-ARCTIC FOREST; THE RELATIONSHIP BETWEEN SOILS, WATER AND FOREST PRODUCTIVITY; AND WAYS TO MITIGATE MAN'S IMPACT ON THE INTERIOR FORESTS. IT IS APPARENT THAT IF WE ARE TO GARNER THE KNOWLEDGE NECESSARY TO MAKE DECISIONS ABOUT THIS GREAT FOREST RESOURCE, WE MUST CONTINUE THE FUNDING OF THE INSTITUTE OF NORTHERN FORESTRY. I THEREFORE REQUEST THAT THE COMMITTEE FULLY FUND THE INSTITUTE OF NORTHERN FORESTRY AT LAST YEAR'S LEVEL.

ALASKA LAND USE COUNCIL

I STRONGLY URGE THAT FUNDS BE PROVIDED FOR THE CONTINUATION OF THIS MOST NECESSARY FORUM. SHOULD FUNDS NOT BE APPROPRIATED WE WOULD BE BREAKING FAITH WITH THE ALASKAN PEOPLE WHO VIEW THE COUNCIL AS THE MOST EFFECTIVE MEANS THROUGH WHICH STATE FEDERAL AND OTHER INTERESTS MAY COOPERATE TO EFFECT THE IMPLEMENTATION OF ANILCA.

THE COUNCIL WAS VIEWED AS A CONDUIT FOR EFFECTIVE COOPERATION -- A BREATH OF FRESH AIR FROM THE DAYS OF STATE-FEDERAL CONFRONTATION DURING THE UNSETTLING PERIOD PRECEEDING PASSAGE OF ANILCA. I WOULD RECOMMEND THAT THE COMMITTEE FULLY FUND THE COUNCIL, RECOGNIZING THE IMPORTANCE OF A CONTINUED DIALOGUE BETWEEN ALL THE PARTIES ON THE MATTER OF IMPLEMENTATION OF THE LARGEST CONSERVATION BILL EVER PASSED BY THE CONGRESS AND SIGNED INTO LAW.

SIERRA CLUB

MR. CHAIRMAN, I HAVE BEEN INFORMED THAT THE SIERRA CLUB FOR ALASKA HAS MADE SEVERAL REQUESTS TO THE COMMITTEE. I SUPPORT THE ACTIVITIES OF ALL ALASKAN GROUPS AND WELCOME THEIR INPUT INTO THE BUDGET PROCESS. I AM PLEASED BY THE SIERRA CLUB SUPPORT OF AN INCREASE FOR THE ADMIRALTY ISLANDS NEGOTIATIONS. THIS INCREASE IS NECESSARY. THESE NEGOTIATIONS ARE AN EXAMPLE OF HOW A BLEND OF ALL INTERESTS CAN BE EFFECTED WHICH WILL BENEFIT THE WHOLE.

I MUST HOWEVER, NOTE FOR THE RECORD THAT OF ALL OF THE ENVIRONMENTAL GROUPS INVOLVED IN ALASKA, ONLY ONE, THE SIERRA CLUB, HAS TAKEN IT UPON ITSELF TO REORDER THE PRIORITIES OF THE ADMINISTRATION AND THE AUTHORIZING COMMITTEES FOR ALASKA. I AM DEEPLY CONCERNED OVER ANY PROPOSALS TO REPEAL PROVISIONS OF THE ALASKA LANDS ACT THROUGH APPROPRIATIONS LEGISLATION. IN PARTICULAR, I STRONGLY OBJECT TO THE SIERRA CLUB'S RECOMMENDATIONS IN TWO AREAS:

FIRST, THE ALASKA REPRESENTATIVE FOR THE SIERRA CLUB, HAS REQUESTED A FUNDING CUT-OFF FOR "SUBMERGED LANDS" CONVEYANCES IN ALASKA. ISSUES INVOLVED IN SUBMERGED LANDS CONVEYANCES HAVE BEEN CONSIDERED EXTENSIVELY BY THE INTERIOR COMMITTEE AND THE FEDERAL COURTS. THESE ISSUES ARE RECEIVING FURTHER CONSIDERAITON AND THIS CONSIDERATION SHOULD NOT BE SHORT-CIRCUITED BY A FUNDING CUT-OFF RECOMMENDED BY ONLY ONE GROUP. IF A FUNDING CUT-OFF IS ADOPTED IN THE FACE OF AUTHORIZING COMMITTEE DELIBERATION AND AGAINST THIS HOLDING OF THE SOLE FEDERAL COURT DECISION ON THIS SUBJECT, IT IS MY OPINION THAT COMPLETE ACTION ON OTHER CONTESTED ALASKAN CONSERVATIONS ISSUES CURRENTLY BEING CONSIDERED BY THE INTERIOR COMMITTEE WILL BECOME IMPOSSIBLE.

THE SIERRA CLUB HAS CALLED FOR THE REPEAL OF SECTION 705(A) OF ANILCA, COMMONLY KNOWN AS THE TONGASS TIMBER SUPPLY FUND. WHILE IT IS RELATIVELY CERTAIN THAT SUCH CANNOT BE DONE THROUGH

THE APPROPRIATIONS PROCESS CERTAINLY DISCUSSION IS NOT PRECLUDED. IF THE COMMITTEE IS INCLINED TO DISCUSS SECTION 705A, I WOULD ASK THAT SECTION 703 ALSO BE DISCUSSED. IN FACT, I WOULD SUPPORT THE REPEAL OF SECTION 703.

SECTION 703 ESTABLISHED THE 5.5 MILLION ACRES OF WILDERNESS ON THE TONGASS NATIONAL FOREST BY TAKING LANDS OUT OF THE POTENTIAL TIMBER BASE, MAKING NORMAL MANAGEMENT OF THE FOREST TO MEET LONG-TERM NATIONAL GOALS IMPOSSIBLE. SECTION 705(A) WAS THE SOLUTION TO THIS NEED TO MANAGE THE FOREST MORE INTENSELY, AND WAS THE QUID-PRO-QUO FOR SECTION 703.

IT IS APPARENT THAT THE REPRESENTATIVE OF THE SIERRA CLUB OMMITTED FOR BREVITY OR BY OVERSIGHT THE LINKAGE OF THESE TWO ISSUES IN HIS TESTIMONY. I WOULD URGE THAT THE COMMITTEE NOT SEEK TO ALTER ONE SIDE OF AN AGREEMENT REACHED DURING CONSIDERATION OF ANILCA WITHOUT ALTERING THE OTHER.

AGAIN MR. CHAIRMAN, PLEASE ALLOW ME TO THANK YOU AND YOUR STAFF FOR THIS OPPORTUNITY TO TESTIFY AND FOR YOUR SUPPORT AND COOPERATION. I WILL BE DELIGHTED TO ANSWER ANY QUESTIONS.

BILL NICHOLS
3D DISTRICT, ALABAMA

2406 RAYBURN BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-3261

COUNTIES:
AUTAUGA
CALHOUN
CHAMBERS
CLAY
CLEBURNE
COOSA
ELMORE
LEE
MACON
RANDOLPH
RUSSELL
TALLADEGA
TALLAPOOSA

Congress of the United States
House of Representatives
Washington, DC 20515

Rec'd

COMMITTEE ON
ARMED SERVICES

DISTRICT OFFICES:
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ANNISTON, AL 36202
PHONE: 236-5655

107 FEDERAL BUILDING
OPELIKA, AL 36801
PHONE: 745-6222

115 EAST NORTHSIDE
TUSKEGEE, AL 36083
PHONE: 727-6490

April 15, 1986

Honorable Sidney R. Yates
Chairman
House Appropriations Subcommittee on Interior
Room B308 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

I am enclosing copies of two letters I received this date from Governor George C. Wallace and Mr. William R. Heatherly, Director of the State of Alabama Department of Industrial Relations in regard to their interest in appropriations funding for the Abandoned Mine Land Reclamation Program.

Due to my inability to testify before your Subcommittee on April 17, I am hereby submitting these two State official letters and am hopeful that your Subcommittee will give them careful consideration.

Thanking you, I am

Sincerely,

Bill Nichols

Bill Nichols, M.C.

BN:mw
enclosures

STATE OF ALABAMA
GOVERNOR'S OFFICE
MONTGOMERY 36130

GEORGE C WALLACE
GOVERNOR

April 7, 1986

Honorable Bill Nichols
2407 Rayburn House Office Building
Washington, D.C. 20515

Dear Bill:

I want to request your support for an appropriations increase for the Abandoned Mine Land (AML) Reclamation Program.

It is our desire to make full use of the trust fund established by the "Surface Mining Control and Reclamation Act of 1977" and set aside exclusively for use by the states to reclaim abandoned mine lands. No doubt you are aware of some of the benefits to our citizens that have already been realized as a result of the AML Program. However, in recent times Alabama has been denied its right to make use of AML funds generated by coal production within its boundaries, because Congress has not appropriated the full amount available to the states.

I urge you to testify before the House Appropriations Subcommittee on Interior and Related Agencies on April 17, 1986 in behalf of an appropriations increase for this very worthwhile program.

Sincerely,

George

George C. Wallace
Governor

STATE
OF
ALABAMA

DEPARTMENT OF INDUSTRIAL
RELATIONS

WILLIAM R. HEATHERLY
DIRECTOR

649 MONROE STREET
MONTGOMERY, ALABAMA 36130
(205) 261-5236

April 7, 1986

Honorable Bill Nichols
2407 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Nichols:

This is to request your support for an appropriations increase for the Abandoned Mine Land (AML) Reclamation Program.

As you may be aware, the "Surface Mining Control and Reclamation Act of 1977" (P.L. 95-87) established a trust fund dedicated exclusively for use by the states for the purpose of reclaiming lands disturbed by mining and left unreclaimed. Each state supports the Fund by contributing money to it based on coal production within its boundaries; the money in this fund can be used for reclamation purposes only. In order to carry out the much-needed reclamation of abandoned mine lands, the states must depend on yearly appropriations of the fund from Congress. These monies are then distributed to the states in the form of three-year grants.

We have assembled a highly qualified staff of engineers, reclamation specialists and other professionals in laying the groundwork for rapid, cost-effective reclamation of Alabama's abandoned mine lands, and we stand ready to use our share of the trust fund. However, Alabama and other states with approved AML programs have in recent times been denied our right to make use of those funds because Congress has not appropriated the full amount available to the states.

We are equally concerned about recent attempts by the U.S.D.I. Office of Surface Mining to add language to AML grants which makes our funding contingent upon the performance of another State agency (Alabama Surface Mining Commission) in their administration of the state's coal regulatory program. We feel that this practice could unfairly penalize Alabama's AML Program.

Please lend your assistance by testifying before the House Appropriations Subcommittee on Interior and Related Agencies (Sidney R. Yates, Chairman) on April 17, 1986 in behalf of an appropriations increase for the Abandoned Mine Land Reclamation Program.

Sincerely,

William R. Heatherly
Director

STATEMENT OF CONGRESSMAN STENY H. HOYER, MARYLAND, 5TH DISTRICT
BEFORE THE
U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR
ON
FY1987 BUDGET REQUEST FOR LAND AND WATER CONSERVATION FUND STATE GRANT PROGRAM

APRIL 17, 1986

Mr. Chairman:

I am disappointed and disturbed by the Administration's inadequate budget request for the LAND AND WATER CONSERVATION FUND, STATE GRANT PROGRAM and RECREATION TECHNICAL ASSISTANCE FUNCTIONS within the National Park Service.

In it's FY1987 budget request, the Administration recommended termination of STATE and LOCAL participation in the LAND AND WATER CONSERVATION FUND and a rescission of $35.9 million in FY1986 appropriated funds to $10 million total.

I commend the Chairman for not approving the FY1986 LWCF rescission request; however, this important federal-state partnership remains in jeopardy.

RATIONALE

It is incongruous that the administration has proposed such drastic program rescissions and budget cuts before the President's Commission on Americans Outdoors presents its final report to the President. The purpose of the Commission, appointed by President Reagan in 1985, is to "examine the outdoor recreation resources, programs and opportunities that will ensure the future availability of outdoor recreation for the American people." It is premature and inappropriate to reduce or eliminate recreation resource programs now in effect before the President's Commission presents its findings and makes its recommendations for the future.

I am subsequently concerned for the future of affordable and quality parks and recreation in America.

LWCF State Assistance Program

The state grant program of the LWCF provides matching funds for land acquisition and recreation development for states and municipalities.

The State of Maryland has benefited significantly from participation in the program. The FY1986 LWCF apportionment to Maryland will total $960,320. When coupled with the State and local matching funds, the amount available for acquisition and development of priority recreation and park lands will total nearly $2,000,000.

However, our need to further develop and acquire adequate recreation lands and facilities will not disappear in 1986 or 1987. As our communities grow and become more developed and urbanized, the need for quality recreation opportunities will increase.

Nationally, over 32,000 individual projects have resulted from the LWCF federal-state partnership, supplying recreation opportunities close to home, accessible to low-income and handicapped persons and protecting at least 2.8 million acres of land. In addition, acquisition and development of local park and recreation lands and facilities reduce pressures on National Park areas. This is especially true for National Park units within close proximity to my Congressional district.

The total estimated state and local request for FY1986 funds from the program exceeded $316 million. It is anticipated that state and local requests for FY1987 LWCF matching grants will exceed that amount, due to decreased appropriated funds for the program over the past several years. The unappropriated balance in the Land and Water Conservation Fund currently exceeds $4 billion.

Very efficient and capable administration of the program has also reduced the unexpended balance of LWCF funds from approximately $600 million in FY1982 to approximately $173 million in FY1986.

I agree with the House Committee on Interior and Insular Affairs recent statement that rejected the Administration's attempt to close out the LWCF State Grant program, and comment that "[The LWCF State Grant Program] is a vital catalyst in providing a diverse spectrum of recreational opportunities for all of the people of our Nation."

Recreation and Technical Assistance Programs

Activities addressed by these programs have been instrumental to the success of recreation and park policies and programs at federal, state and local levels. Recreation program activities include technical assistance to State and local governments, recreation data collection and analysis, transfer of surplus Federal real property to local governments for recreation uses, monitoring Federal recreation fee programs, and preparation of Nationwide Comprehensive Outdoor Recreation Plans. Elimination of funds for these programs would be detrimental to efforts to improve data collection on recreation usage and impacts. These programs have proven successful, and should be continued at adequate funding levels.

I recommend the following in lieu of the Administration's fiscal 1987 budget request:

o At least $75 million for State and local government participation in the Land and Water Conservation Fund;

Past LWCF State Grants Appropriations

(in millions)

FY1983	FY1984	FY1985	FY1986
$110	$73	$72	$46

Given the extensive State and local demand for LWCF funds, $75 million will barely scratch the surface. However, in light of our country's current budget constraints, appropriation of this limited amount will assist the most urgent projects until such time as the federal deficit problem becomes more manageable.

o Amounts necessary to effectively administer the above grant-in-aid program.

o Amounts necessary to participate effectively in authorized interagency and intergovernmental planning, coordination and technical service functions, including recreation statistics and information; surplus federal real property; and the federal recreation fee program.

I will be pleased to answer any questions you may have. Thank you for the opportunity to testify.

STATEMENT OF THE HONORABLE WALTER B. JONES, CHAIRMAN, COMMITTEE ON MERCHANT MARINE AND FISHERIES REGARDING THE U.S. FISH AND WILDLIFE SERVICE BUDGET, BEFORE THE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS

APRIL 17, 1986

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, AS CHAIRMAN OF THE AUTHORIZING COMMITTEE FOR THE FISH AND WILDLIFE SERVICE, I APPRECIATE THIS OPPORTUNITY TO TESTIFY ON ITS BUDGET.

ONE ISSUE OF IMPORTANCE IS THE SERVICE'S LAND ACQUISITION PROGRAM. THE ADMINISTRATION HAS REQUESTED NO FUNDS FOR LAND ACQUISITION, EITHER UNDER THE LAND AND WATER CONSERVATION FUND OR THE WETLANDS LOAN ADVANCE. WITH THE CRITICAL NEED TO BUY UPLANDS AND WETLANDS FOR ENDANGERED SPECIES AND LEGISLATIVELY-AUTHORIZED REFUGES, THIS SUBCOMMITTEE SHOULD CONSIDER FUNDING THESE WORTHY PROJECTS, AS IDENTIFIED BY THE FISH AND WILDLIFE SERVICE'S AND CONSERVATION ALTERNATIVE PRIORITY LISTS, THAT URGENTLY NEED TO BE COMPLETED.

I RESPECTFULLY REQUEST THAT YOU STRONGLY CONSIDER ADVANCING THE $10.5 MILLION LEFT IN THE WETLANDS LOAN FUND. THIS MONEY WILL HELP BUY CRITICAL WETLANDS HABITAT FOR MIGRATORY BIRDS. THERE IS A VERY WORTHY PROJECT IN NORTH CAROLINA BEING UNDERTAKEN BY THE NORTH CAROLINA NATURE CONSERVANCY WHICH SHOULD BE CONSIDERED FOR MONEY UNDER THE ADVANCE. ATTACHED TO MY STATEMENT IS INFORMATION ON THIS LAND. I RESPECTFULLY REQUEST THAT THE SUBCOMMITTEE INSERT REPORT LANGUAGE MAKING UP TO $650,000

AVAILABLE TO ACQUIRE THIS 6,000 ACRE TRACT OF LAND. I HAVE ATTACHED DRAFT REPORT LANGUAGE TO MY STATEMENT FOR YOUR CONSIDERATION.

I WOULD LIKE TO COMMEND THE SERVICE IN ITS BUDGET SUBMISSION REGARDING REFUGE OPERATIONS. VERY OFTEN WE LOSE SIGHT THAT PUTTING MONEY INTO LAND ACQUISITION IS BUT THE FIRST STEP IN THE WORKINGS OF A REFUGE. AS REFUGES COME "ON LINE," MONEY IS NEEDED TO OPERATE THE REFUGE. IN THE CASE OF NORTH CAROLINA, THE ALLIGATOR RIVER REFUGE, A 122,000 ACRE REFUGE, WAS ESTABLISHED AND IS OPERATING ON A SHOESTRING BUDGET WITH MONEYS SCRAPED TOGETHER BY THE SERVICE. IN THE SERVICE'S BUDGET PROPOSAL, ALLIGATOR RIVER, ALONG WITH 23 OTHER NEWLY ESTABLISHED REFUGES, RECEIVE FUNDING. I STRONGLY SUPPORT THIS REQUEST FROM THE SERVICE.

A FURTHER EXPANSION OF LAND ACQUISITION ALSO HAS MAJOR RAMIFICATIONS FOR THE REFUGE REVENUE SHARING PROGRAM. I FEEL COMPELLED TO POINT OUT THAT THE FISH AND WILDLIFE SERVICE RECEIVES ONLY 55% OF THE FUNDING REQUIRED TO COMPENSATE LOCAL GOVERNMENTS UNDER THE REFUGE REVENUE SHARING PROGRAM. ON THE OTHER HAND, THE "PAYMENT IN LIEU OF TAXES" PROGRAM FOR THE BUREAU OF LAND MANAGEMENT, THE NATIONAL PARK SERVICE, AND THE NATIONAL FOREST SERVICE, RECEIVES 100% FUNDING. YOUR SUBCOMMITTEE RECOGNIZED THIS DISCREPANCY LAST YEAR IN ITS SUBCOMMITTEE REPORT AND I URGE YOU TO RECTIFY THE SITUATION. WE CANNOT EXPECT LOCAL GOVERNMENTS TO SUPPORT FEDERAL LAND

ACQUISITION PROGRAMS UNLESS THE FEDERAL GOVERNMENT LIVES UP TO ITS FINANCIAL COMMITMENTS.

ANOTHER REQUEST I HAVE IS FOR THE SUBCOMMITTEE TO INCLUDE REPORT LANGUAGE REPROGRAMMING THE SERVICE'S "END OF YEAR" MONEY TO GET THE COOPERATIVE UNIT PROGRAM BACK ON A SOUND FOOTING, AS WELL AS TO EXPAND THE EXISTING FISHERY UNIT AT NORTH CAROLINA STATE UNIVERSITY TO INCLUDE A WILDLIFE UNIT. THERE ARE SEVERAL ENDANGERED SPECIES PROJECTS WHICH WOULD HAVE MERITED PARTICIPATION BY N.C.S.U. AT A VERY LOW COST IF THERE HAD BEEN A COOPERATIVE WILDLIFE UNIT PROGRAM THERE. FOR INSTANCE, THE BALD EAGLE PROJECT LOCATED ON JORDAN LAKE, WHICH IS TWENTY MINUTES FROM N.C.S.U., IS BEING RUN OUT OF VIRGINIA'S WILDLIFE UNIT, WHICH IS SEVERAL HOURS AWAY. THE SERVICE IS ALSO PROPOSING TO REINTRODUCE THE ENDANGERED RED WOLF ON THE ALLIGATOR RIVER NATIONAL WILDLIFE REFUGE. THAT IS A PROJECT THAT WILL REQUIRE MANY, MANY MAN-HOURS OF WORK IF IT IS TO BE DONE CORRECTLY. A COOPERATIVE WILDLIFE UNIT COULD EASILY PARTICIPATE IN THE PROJECT AT A VERY LOW COST, WHILE OFFERING TECHNICAL EXPERTISE. THE SERVICE CAN UTILIZE THE STATISTICAL CAPACITY AT N.C.S.U. WHICH WILL GREATLY ASSIST THE SERVICE IN ITS EFFORTS TO STANDARDIZE ITS STATISTICAL DATA BASE FOR NATIONAL USE. I WILL SUPPLY THE SUBCOMMITTEE WITH LANGUAGE AND I HAVE ATTACHED A CHART IDENTIFYING THE SURPLUS MONEY TO FUND THE UNIT.

WITH REGARD TO OTHER MATTERS, THE ADMINISTRATION HAS PROPOSED SEVERE CUTS IN THE ENDANGERED SPECIES PROGRAM. OTHERS

HAVE POINTED OUT IN GREAT DETAIL THE SIGNIFICANCE THAT THESE CUTS WILL HAVE, AND I URGE THE MONEY BE RESTORED. THEREFORE, I WILL CONFINE MY COMMENTS TO THE RED WOLF. THE SERVICE IS PROPOSING TO REINTRODUCE THE RED WOLF ON THE ALLIGATOR RIVER REFUGE AS AN EXPERIMENTAL POPULATION. HOWEVER, CURRENTLY THERE IS NO MONEY IN THE SERVICE BUDGET EARMARKED TO CARRY OUT THIS PROPOSAL. I KNOW MANY PEOPLE ARE VERY ANXIOUS TO HAVE THIS EXPERIMENTAL POPULATION PROGRAM WORK. MY POSITION IS THAT IF THE SERVICE DECIDES TO GO FORWARD WITH THE PROJECT, IT SHOULD HAVE THE MONEY TO DO THE PROJECT RIGHT. THAT MEANS THAT $135,000 NEEDS TO BE APPROPRIATED TO REINTRODUCE AND MONITOR THIS PREDATOR SPECIES.

THE LAST ISSUE I WOULD LIKE TO MENTION IS THE CONTAMINANT ISSUE INVOLVING NATIONAL WILDLIFE REFUGES. I KNOW OF THIS SUBCOMMITTEE'S STRONG INTEREST IN CONTAMINANTS -- AN INTEREST SHARED BY THE COMMITTEE I CHAIR. THE SERVICE HAS STARTED ADDRESSING THE PROBLEM OF CONTAMINANTS ON REFUGES AND HAS ASKED FOR ADDITIONAL MONEY TO ADDRESS THESE PROBLEMS WHICH HAVE ARISEN THROUGHOUT THE COUNTRY. THE MERCHANT MARINE AND FISHERIES COMMITTEE RECOMMENDED AN ADDITIONAL $200,000 TO THE BUDGET COMMITTEE FOR CONTAMINANT WORK.

YESTERDAY, EPA ANNOUNCED THAT ALBERMARLE/PAMLICO WAS BEING DESIGNATED AS AN ESTUARY OF NATIONAL SIGNIFICANCE, ACCOMPANIED BY A GRANT TO STUDY LAND USE AND WATER QUALITY ISSUES ASSOCIATED WITH THE ESTUARY. SINCE THE FISH AND WILDLIFE SERVICE OWNS 248,775 ACRES OF REFUGE LAND ON THE ALBERMARLE/PAMLICO PENINSULA, THE SERVICE'S PARTICIPATION AND EXPERTISE WOULD BE MOST VALUABLE AND APPRECIATED. I REQUEST AN ADDITIONAL $100,000 TO INSURE THE SERVICE'S ACTIVE ROLE IN THE PROJECT.

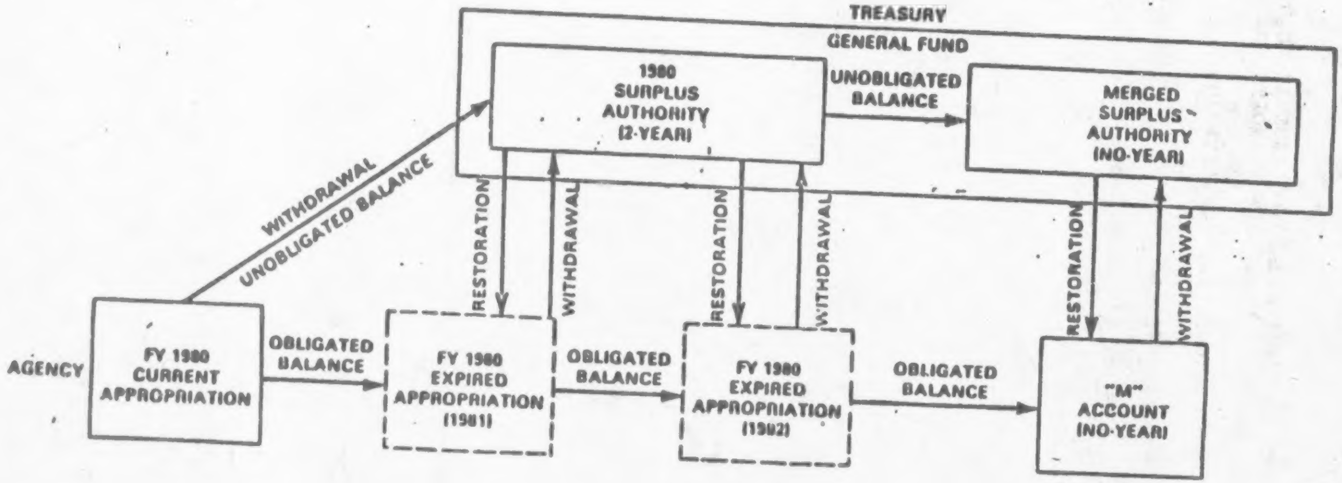
AGAIN, I THANK YOU FOR THIS OPPORTUNITY TO TESTIFY AND I APPRECIATE YOUR CAREFUL CONSIDERATION OF THESE REQUESTS.

DRAFT REPORT LANGUAGE REGARDING FEDERAL ACQUISITION OF 6,000 ACRES IN HYDE COUNTY, NORTH CAROLINA

MIGRATORY BIRD CONSERVATION ACCOUNT

Under the Wetlands Loan Advance, the Subcommittee recommends $650,000 for Alligator River National Wildlife refuge in Hyde County, North Carolina.

ILLUSTRATION OF THE PROCESS OF WITHDRAWALS, RESTORATIONS AND TRANSFERS OF APPROPRIATION BALANCES


TREASURY
GENERAL FUND
1980 SURPLUS AUTHORITY (2-YEAR)
UNOBLIGATED BALANCE
MERGED SURPLUS AUTHORITY (NO-YEAR)
WITHDRAWAL UNOBLIGATED BALANCE
RESTORATION
WITHDRAWAL
RESTORATION
WITHDRAWAL
RESTORATION
WITHDRAWAL
AGENCY
FY 1980 CURRENT APPROPRIATION
OBLIGATED BALANCE
FY 1980 EXPIRED APPROPRIATION (1981)
OBLIGATED BALANCE
FY 1980 EXPIRED APPROPRIATION (1982)
OBLIGATED BALANCE
"M" ACCOUNT (NO-YEAR)

APPROPRIATION BALANCES

Fiscal Year	EOY Balance	Unobligated Balance that Lapsed (Remaining as of 9/30/85
1980	$ 562,000	$1,000,693 to "M" Account
1981	1,026,022	2,255,953 to "M" Account
1982	336,731	1,182,768 to "M" Account
1983	701,662	682,095
1984	919,558	833,973
1985	2,867,337	2,000,000 (estimated as of 1/31/

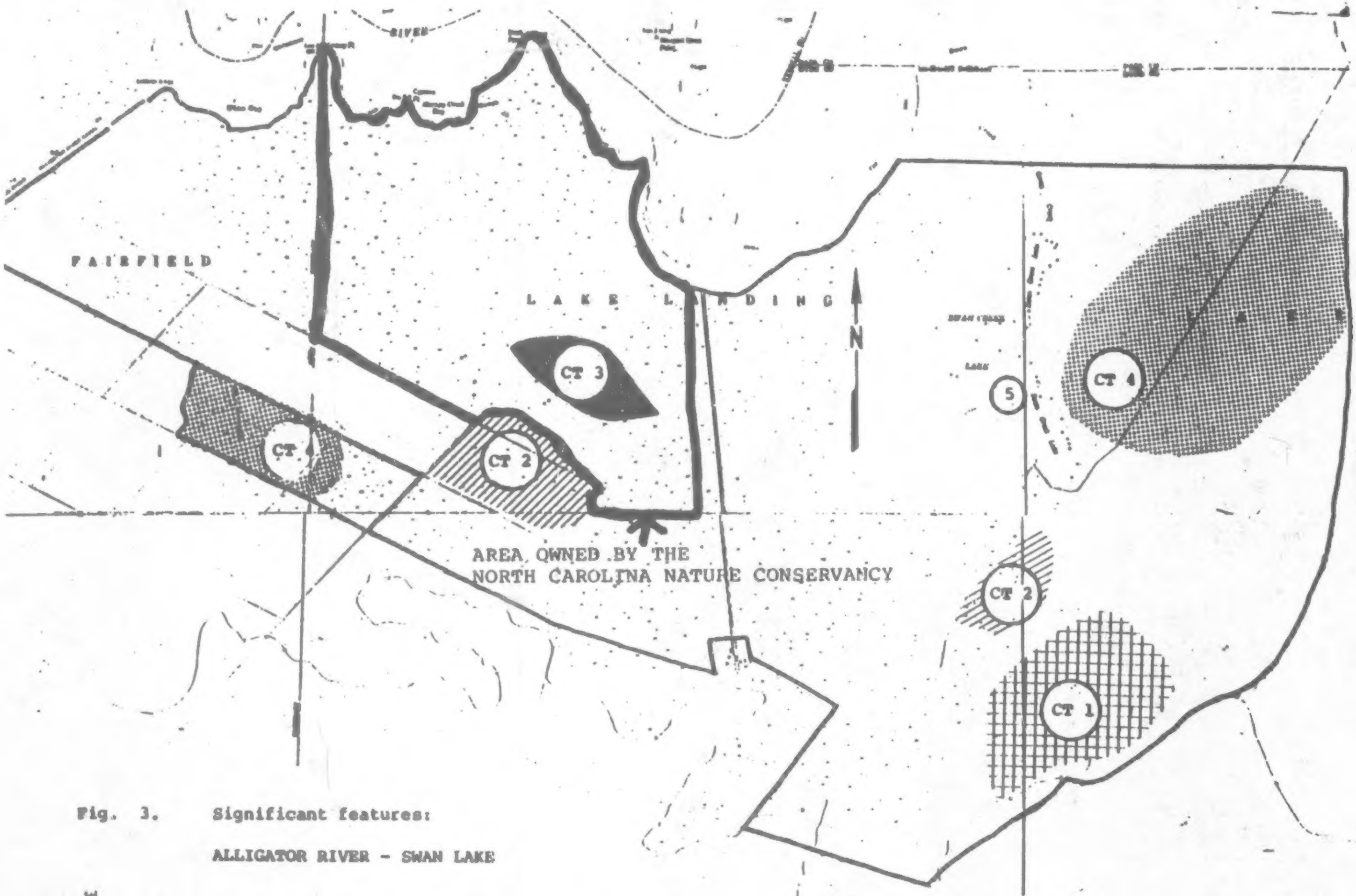

RIVER
FAIRFIELD
LAKE LANDING
N
SWAN CREEK
LAKE
5
LAKE
CT 1
CT 2
CT 2
CT 3
CT 4
CT 4
AREA OWNED BY THE
NORTH CAROLINA NATURE CONSERVANCY

Fig. 3. Significant features:

ALLIGATOR RIVER - SWAN LAKE

NATURAL AREA INVENTORY FORM
(To be prepared for each site)

Basic Information Summary Sheet

1. Natural Area Name: Alligator River - Swan Lake Natural Area

2. County: Hyde

3. Location: Northeastern Hyde County; the area along the south side of the Alligator River between the Intracoastal Waterway on the west and the Swan Lake area on the east.

4. Topographic quadrangle(s): Fairfield NW (1974), Fairfield NE (1974), Engelhard West (1974), Engelhard East (1975), and Engelhard NW (1975).

5. Size: Approximately 16,300 acres (all private); measured with a grid calculator

6. Elevation: 0-5 feet msl

7. Access: Best access is from the south via First Street and 4th Avenue West. Several unnamed spur roads branch off of 4th Avenue West into portions of swamp interior.

8. Names of investigators:

J. Merrill Lynch	S. Lance Peacock
Route 2, Box 222-B	P. O. Box 6006
Enfield, NC 27823	Raleigh, NC 27628

9. Date(s) of investigation: April 8, May 9, June 30, August 12, 1982

10. Priority rating: High

11a. Prose Description of Natural Area

INTRODUCTION

The most extensive natural lands remaining in Hyde County are located along a corridor bordering the Alligator River in the northern portion of the county. These lands extend from the Dare County line (north of Swan Lake) westward to and including the large island known as Roper Island formed by the Intracoastal Waterway channel and the natural Alligator River channel. Because of the size of this area and the varying qualities of the natural vegetation types, the Alligator River corridor has been divided into two contiguous natural areas, Roper Island (see pp.   ) and the Alligator River Swamp Forest, the latter site which will be discussed in this site report.

The Alligator River Swamp Forest, encompassing about 16,300 acres, is bordered by Roper Island (Intracoastal Waterway) on the west and by Swan Lake on the east (see Fig.   ). The natural area exists as a corridor along the Alligator River and varies in width from about 1.5 miles to 3 miles, and has a length of about 7 miles. The southern boundary of the natural area lies adjacent to a huge superfarm development, part of a consortium of agricorporations, which extend south almost to the western end of Lake Mattamuskeet. This vast area, now mostly cleared and planted in corn and soybeans, was originally a pond pine pocosin wetland. The natural area corridor runs generally east-west except for the eastern end near Swan Lake where the Alligator River abruptly turns north and the natural area swings to the north-northeast where it intercepts the Dare County line. Swan Creek Lake, a natural freshwater lake, lies along Swan Creek, a poorly defined drainage tributary of the Alligator River. This tributary extends south beyond Swan Lake into cleared agricultural areas, part of the superfarm development mentioned above. A wooded buffer, dominated by swamp forest vegetation similar to the Alligator River corridor proper, extends as a strip ¼ to 1 mile wide along this drainage for a distance of about 3 miles.

The Alligator River Swamp Forest Natural Area is very similar in terms of vegetation types, ecology, and soils to the Dare County portion of the swamp forest which lies just to the north of the site along the east bank of the Alligator River. The Dare County Natural Area is described in detail in "Natural Areas of the Dare County Peninsula," pp.   .

The valuable timber resources of the swamp forests have been exploited periodically over the last two centuries by logging interests. As a result the natural area today is a mosaic of various age classes, i.e., selectively cut stands, recent clearcuts, and scattered old-growth stands, depending on the intensity and methods of past logging operations as well as the accessibility of the stands. Much of the natural area adjacent to the Alligator River is roadless, most of the timber apparently having been removed by long-abandoned tram and scid roads which are no longer visible. Access roads and ditches are primarily located along the margins of the natural area and were built for access to the adjacent agricultural fields. Land-clearing operations continue to eat away at the swamp forest corridor, particularly in the arm of the natural area south of Swan Lake. Recently, additional roads and ditches have been constructed into some of the pure Atlantic white cedar (_Chamaecyparis thyoides_) stands near Swan Lake, and some of these stands have been clearcut during the past ten years. The logging of swamp forest timber continues today.

Soils of the natural area are primarily deep Histosols. The area is mapped as the Dare-Pungo-Dorovan association: very poorly drained soils with thick to moderately thick organic surface layers over mineral subsurface layers (SCS 1973). Detailed soil mapping is not available for the site although the Alligator River swamp forests just to the north in Dare County have been mapped (Barnes, 1981). The Pungo soil series, classified as dysic, thermic Typic Medisaprists, is the most extensive soil unit, occurring as a wide band along the Alligator River.

VEGETATION

The predominant vegetation type along much of the Alligator River in Hyde County is swamp forest composed of four principal species which form the canopy in a mixture of varying proportions. In most of the stands no single species is a true dominant but rather the canopy is a heterogeneous mixture of species. Swamp blackgum (_Nyssa_ _sylvatica_ var. _biflora_) is the tree species which is most widely distributed and a conspicuous co-dominant in most of the stands. Based on canopy dominance data taken in a fairly typical stand south of Swan Creek Lake, swamp blackgum is the predicted co-dominant in most of the swamp forest stands in the natural area. The physiognomy of the mature swamp blackgum stands along the Alligator River is much different from that of stands along brownwater river systems, due to the significant component of swamp and lowland conifers in the canopy and subcanopy layers and to the density of bay trees and other wetland shrubs in the shrub layers.

Atlantic white cedar or juniper (Chamaecyparis thyoides) and loblolly pine (Pinus taeda) join swamp blackgum in the canopy, and often can be considered a co-dominant gymnosperm component of the canopy. The distribution and relative dominance of these two species is much more variable than that of swamp blackgum. Atlantic white cedar particularly has a patchy distribution as a result of both selective and clearcutting operations in many parts of the natural area. In most stands it is a less important co-dominant; in others its dominance locally exceeds that of swamp blackgum. Throughout the natural area in the mature stands, Atlantic white cedar is a medium to large and beautiful tree with a shaggy conical top and long clear trunk. Some individuals reach 24 inches dbh. Loblolly pine is much more scattered in all stands investigated, but often attains comparable diameters and usually exceeds cedar and swamp blackgum in height. The fourth characteristic swamp forest tree is baldcypress (Taxodium distichum). This species is usually present as scattered old-growth, flat-topped, "cull" trees which are often 80-90 feet in height. These old-growth giants are almost invariably deformed specimens of low commercial value left behind from past logging operations. They are usually too scattered to be considered co-dominants in the community but because of their superior height and trunk diameters they are conspicuous members of the swamp forest landscape. The cypress of the natural area do not seen to regenerate readily after cutting. In most swamp forest stands cypress has importance values of 50% or less although in a few localized old-growth stands it is a true dominant, sharing the canopy with a few tall loblolly pines, under which swamp blackgum and Atlantic white cedar form a subcanopy layer.

In addition to the four principal tree species just discussed, several others reach the canopy but are of far less importance. Red maple (Acer rubrum) is locally dominant where cypress, cedar and swamp gum have been removed or thinned out by logging, but does not attain dominance in stands where the latter species have been less heavily cut or where fewer logging cycles have occurred. Pond pine (Pinus serotina) is occasional in the canopy, as are isolated large sweet bays (Magnolia virginiana).

Generally, the swamp forest subcanopy consists of smaller individuals of swamp blackgum and red maple, with an occasional sweet bay. This stratum is not well-developed, except as noted where bald cypress forms the true canopy. The shrub layers of the swamp forest are rather open and are generally occupied by one or two species. A tall shrub layer of red bay (*Persea borbonia*) is locally present, ranging in height from 15-20 feet. Sweet pepperbush (*Clethra alnifolia*) and fetterbush (*Lyonia lucida*) are usually the dominant low shrubs; bitter gallberry (*Ilex glabra*) and highbush blueberry (*Vaccinium corymbosum*) are scattered. Ground cover is absent except for sphagnum mats. The ground surface is wet, with shallow standing water present in local depressions during winter and spring. Cypress knees (to 2 feet tall) and many fallen logs add to the rough and hummocky surface pattern.

Two main community types are designated in the swamp forest portions of the natural area, based on the features summarized in the preceding discussion. Occupying most of the swamp forest sites is a community consisting of *Nyssa sylvatica* var. *biflora*-mixed lowland conifers/*Persea borbonia*/*Clethra alnifolia*-*Lyonia lucida* (Swamp black gum-mixed lowland conifers/Red bay/Sweet pepperbush-fetterbush; CT 1); bald cypress is usually present but reduced in importance due to past cutting. The second community type occurs where bald cypress is still dominant: *Taxodium distichum*/*Nyssa sylvatica* var. *biflora*-mixed lowland conifers/*Persea borbonia*/*Clethra alnifolia*-*Lyonia lucida* (Bald cypress/Swamp black gum-mixed lowland conifers/Red bay/Sweet pepperbush-fetterbush; CT 2). Both these community types are correlated with the Pungo soil series which is the predominant soil mapping unit in the Alligator River natural area.

The average height and trunk diameters of these two community types varies considerably within the natural area. Generally the swamp blackgum-mixed conifer (CT 1) stands range from 60-75 feet in height and have average dbh values of 12-18 inches. Scattered trees of 24 inches dbh and higher are usually present. The baldcypress dominated stands are usually taller (75-90 feet) and have average dbh values of 14-20 inches, sometimes more. Atlantic white cedar is widely distributed throughout the natural area and is found in two distinct physiognomic forms. Over much of the area is occurs as scattered medium to old-growth trees either in the subcanopy or canopy layers. It may reach 25%-50% relative dominance on these sites. In some areas it occurs as a distinct even-age monospecific community (*Chamaecyparis thyoides*/mixed shrubs (Atlantic white cedar/mixed shrubs; CT 3), usually in relatively young age classes. In these situations the white cedar forms dense, uniform-height stands excluding most other species except for bay and pocosin shrubs which usually form a rather sparse low shrub layer. These stands range in height from 15 feet up to 35-40 feet with the older stands having a more diverse mixture of other swamp forest canopy trees.

The shrub layer is moderately well developed in this community, but not extremely dense or diverse. Typical species include sweet pepperbush, highbush blueberry and sweet gallberry. Herbs are scarce; some partridgeberry (Mitchella repens) and netted chain fern (Woodwardia areolata) are usually found.

These monospecific stands develop after fire or clear-cutting, when open, sunny conditions promote germination and subsequent rapid growth of seedlings. Within the natural area are several stands ranging from several acres to over 200 acres in size almost all of which are located within the swamp blackgum-mixed conifer dominated communities.

A fourth and very different community is a series of pond pine stands located in the western and northeastern corners of the natural area. The most extensive area is located east and northeast of Swan Creek Lake and extends into Dare County. This portion was examined only during a brief aerial reconnaissance. The western section is located along 4th Avenue West near the margin of large agricultural fields adjacent to the southern boundary of the natural area.

The community type in closely-examined stands is Pinus serotina/Acer rubrum-Persea borbonia/mixed shrubs (Pond pine/Red maple-red bay/mixed shrubs; CT 4). The canopy size classes are varied in this community but most of the stands are mature ranging to old-growth. The largest pines seen are along 4th Avenue West on a 700-acre stand (see map). Here the average dbh is 12-14 inches, height about 70 feet and the canopy is open. The subcanopy in this stand is poorly defined; red maple is present but not dominant, and a few pockets of swamp black gum occur locally. Associated with the latter are scattered bald cypress which join pond pine in the canopy. A distinctly lower tall-shrub stratum is composed of red bay and lesser amounts of small red maples. The lowest shrubs present include fetterbush and bitter gallberry beneath the red bay layer; some cane (Arundinaria gigantea) also occupies this lowest layer. These species do not form a dense growth and the ground is fairly open within the stand.

The community along 4th Avenue West is the best-quality pond pine stand in the Alligator River natural area in terms of a mature stand of well-developed large trees.

The pond pine stands near Swan Creek Lake (about 4300 acres) appear to be very similar to the 4th Avenue West stand in composition, but without equivalent size and height in the canopy. These stands are excellent examples of Otte's (1981) pond pine forest pocosin type, although considerably more open than is called for by his classification, perhaps due to fire and/or logging history. The canopy is open ranging to scattered; trees are 40-50 feet tall and 8-12 inches dbh. The tall shrub layer is again distinctly below the canopy, and is comprised of red bay and red maple. Cane is locally dense; the low shrubs occurring at the 4th Avenue West site are present here also. These stands are not burned regularly.

The pond pine stands are associated with soils of the Roper series (mineral with a histic epipedon) and Ponzer, Belhaven and Kilkenny series (shallow Histosols). These represent the shallowest organic deposits in the Alligator River natural area.

ECOLOGY OF CYPRESS-GUM AND CEDAR STANDS

The swamp forests along the Alligator River are nonalluvial in the sense that the Alligator is an estuary or embayed stream, not heavily loaded with sediment from the upstream parts of the Alligator River system, or frequently experiencing high overbank flows. These swamp forest communities correlate closely with deep Histosols of the Pungo series (see Barnes, 1981), although certain of the dominant tree species are common associates on mineral alluvium and floodplain peats along brownwater coastal plain rivers. Furthermore, the Pungo series and similar deep peats are dominated by pocosin vegetation in other parts of Hyde County and elsewhere. Although the Hyde County swamp forests are physiognomically and hydrologically distinct from those of the river floodplains, they appear to be much more closely related to the distant river swamps than to the nearby pocosins. The question arises as to what ecological influences are controlling the development of the swamp forests of the Alligator River, and conversely, what factors prevent pocosin development.

Otte (1981), in addressing the problem of transitional development from swamp forest to pocosin vegetation, states that neither peat thickness nor fire can be considered sufficient to control pocosin development. He points out that many thick peats, including those in the Alligator River natural area, are vegetated by swamp forest. He also notes that fire has historically occurred in such vegetation without a subsequent pocosin development, as indicated by charcoal layers sandwiched within forest peat profiles. Otte reports that water flow patterns are the major difference between swamp forest sites and pocosin sites.

> In swamp forests the water flows primarily into and through the system, whereas, in pocosins the major direction of flow is out of the system. Thus, for pocosins, the only major source of water is precipitation, whereas for swamp forests, besides precipitation, a large amount of water comes in from the surrounding higher ground [or adjacent through-flowing streams] (Otte, 1981).

Daniel (1981), discussing flow sources and relationships in peatlands, makes supporting observations of the correlation between vegetation types and the predominant direction and source of water movements. He links the swamp forest vegetation type directly with relatively nutrient-rich groundwater, stream and surface flows into peatlands which are topographically situated to receive such flows; while interstream peatlands elevated above the surrounding terrain receive water only from nutrient-poor precipitation. Otte (pers. comm., 1982), based on field surveys and laboratory peat analyses conducted on the Alligator River peat deposits, feels that the swamp forests occupy locations which are and have been subject to flooding by sediment-laden waters backing up the Alligator River during major flooding events in the Albemarle Sound/Roanoke River system, with the resulting sediment and nutrient input maintaining the swamp forest system as predicted by his and Daniel's hypothesis. Otte's data demonstrate that the mineral content in peat is greatest close to the river, an expected pattern if river flooding provides sediment to the system. The topographic arrangement of the Hyde County peatlands is consistent with Otte's view. Many of the thick peat deposits are not domed, but instead are associated with the Alligator River and its tributaries (Otte and Ingram, 1980); Ingram and Otte, 1982); where they are theoretically exposed to flooding from the river.

One question which may be asked is whether the Alligator River swamp forests might be correctly considered alluvial in light of Otte's convincing argument that flood-transported sediment so strongly influences the vegetation. An additional point of interest is whether the land-clearing activities of man have in the past three centuries tended to favor swamp forests locally on peats by increasing stream sediment loads and thus nutrient influx. Otte (pers. comm., 1982), without proposing an answer to this elusive problem, has noted an increased mineral content in the extreme upper layer of peats he has sampled which may be subject to flooding; and he attributes this to such human activity. At the same time the direct effect of logging and clearing for agriculture has been to reduce the extent of the swamp forest community throughout the peatlands of North Carolina (Ashe and Pinchot, 1897; Kologiski, 1977; Christensen, et al. 1981; Daniel, 1981).

OTHER FEATURES

A geomorphological feature of interest is Swan Creek Lake (400 acres; see map). This blackwater lake represents a type which is characteristic of small tributaries to the Alligator River in Hyde and Dare Counties. These small lakes are irregular in shape but often elongate on a north-south axis, and usually appear to have been formed by local widening along pre-existing stream systems. Long reaches of the original narrow channel are often present upstream and downstream from a given lake, as is the case with Swan Creek Lake. These lakes are of uncertain origin, but may be deep peat burns which have been shaped by wave and current action.

WILDLIFE AND AVIAN DIVERSITY

Wildlife values through the Alligator River natural area are superior. Black bear sign (tracks, scat, clawed trees) were common along all roads throughout the site. Although no attempt is made here to interpret the highly visible sign of this large and mobile animal in terms of relative or absolute abundance, the species is evidently using all habitats in the natural area. White-tailed deer are common at least in association with roads. Raccoon, marsh rabbit and gray squirrel are fairly common.

Breeding bird diversity is exceptional in the natural area, due both to the diverse habitats present and to the structural diversity of the swamp forests in particular. The wood warblers are especially well-represented, with 10 species breeding in the swamp forest communities proper, where certain species are exceptionally abundant (see Table 1).

The black-throated green warbler, while found in much younger vegetation elsewhere in Hyde County, occurs in its greatest densities in mature swamp forests where conifers such as bald cypress, Atlantic white cedar and loblolly pine are an important component of the canopy; this warbler is also common in pure white cedar stands. It is a very local breeder in the Coastal Plain of North Carolina (Parnell, 1977).

Two other generally uncommon to rare nesting species in the Coastal Plain are Swainson's and worm-eating warblers (Potter, et al., 1980); both are fairly common throughout the swamp forests of the Alligator River natural area. Swainson's warbler prefers shrub thickets, often sweet pepperbush (Clethra alnifolia), within mature swamp forest stands having a closed canopy; it was not recorded in pure white cedar stands. Worm-eating warblers are less habitat-specific, occurring in mature swamp growth, pure cedar stands and second-growth scrub.

Our Hyde County observations on habitat and relative abundance during the 1982 breeding season agree closely with Meanley's (1979) conclusions based on field work during eight consecutive breeding seasons from 1966 to 1973 in similar habitats in the Dismal Swamp, centered about 70 miles to the northwest. Meanley notes the abundance of the black-throated green warbler in the Dismal Swamp. He also points out the scarcity of Kentucky warblers (three in eight seasons) and black-and-white warblers; we found none of either species during the nesting season. In his study area he found Swainson's warbler slightly more common than we did in Hyde, but considered the worm-eating warbler a notably rare breeder, whereas it is fairly common in the natural area.

11b. **Prose Description of Site Significance:**

The qualities of extent, development and maturity which make the stands attractive to various timber companies are the same qualities which impart significance to the Alligator River swamp forests as a natural area. Although subjected to steady and continuing cutting in recent decades, significant amounts of these swamp forests remain as excellent examples of a vegetation type which has been exploited since the early colonial period. The mature swamp forests of southern Dare County also offer an exceptional opportunity for research into the ecological factors controlling the vegetation over peats in the southeast. Together with adjacent wetlands to the north, these swamp forests provide an uninterrupted corridor along the Alligator River from Roper Island to the Dare County line and on into Dare County itself.

The southern swamp forest fauna is well-represented in the natural area. Black bear occur throughout, and the available habitat is extensive enough to maintain a population. The avifaunal component particularly is intact and notably diverse, in keeping with the structural diversity of the swamp forest itself. Approximately 40 breeding bird species are known to date from the swamp forests proper, including 10 wood warblers.

Two less extensive vegetation types within the described area add to the overall diversity and have significant features in their own right. The monospecific Atlantic white cedar stands, actually part of the general swamp forest system, support many of the same breeding birds discussed above. The pond pine stands in places attain canopy tree sizes of note.

Also, of geomorphological interest, is the 400-acre Swan Creek Lake, a blackwater lake which supports a small American Alligator population and is an undisturbed example of a natural lake type limited to deep peat areas of Hyde and Dare Counties.

12. Significance Summary Table (categories represented and descriptions) - by site

a. Feature	Map Legend	b. Description of significant feature	c. Comparative assessment
High-quality wetland plant community	CT 1	Nyssa sylvatica var. biflora-mixed lowland conifers/Persea borbonia/Clethra alnifolia-Lyonia lucida	The swamp forests of the Alligator River in Hyde County form, with contiguous stands in Dare County, the state's best remaining example of the palustrine swamp forest system which once was a predominant vegetation type over much of the eastern North Carolina peatlands. They are virtually the only example of significant areal extent. Although much impacted by centuries of logging activities, the natural area retains a significant amount of old-growth timber, superlative wildlife habitat (particularly for black bear), a wilderness aspect, and contiguity with swamp forest wetlands to the north in Dare County and to the west (Roper Island).
	▦	Representative example of CT inventoried by authors	
High-quality wetland plant community	CT 2	Taxodium distichum/Nyssa sylvatica var. biflora-mixed lowland conifers/Persea borbonia/Clethra alnifolia-Lyonia lucida	See preceding comparative assessment; this CT is a less disturbed but much less extensive type within the same swamp forest system.
	▨	Representative example inventoried by authors	

12. Significance Summary Table (categories represented and descriptions) - by site

a. Feature	Map Legend	b. Description of significant feature	c. Comparative assessment
High-quality wetland plant community	CT 3	Chamaecyparis thyoides/mixed shrubs	Well-developed examples of a younger seral vegetation type which contributes to the overall diversity of the natural area.
	■	Representative example surveyed by aerial reconnaissance	
High-quality wetland plant community	CT 4	Pinus serotina/Acer rubrum-Persea borbonia/mixed shrubs	Good to excellent examples of pone pine forest and pond pine woodland (sensu Otte, 1981); contiguity with adjacent swamp forest communities contributes to the overall diversity of the natural area and enhances the diversity of wildlife habitat.
	▨	Representative example inventoried by authors	
Endangered species	5	American Alligator	Federal and state endangered; a small but apparently reproducing population in Swan Creek Lake; near northern limits of species range.

12. Significance Summary Table (categories represented and descriptions) - by site

a. Feature	Map Legend	b. Description of significant feature	c. Comparative assessment
Threatened species	Throughout	Red-shouldered Hawk	Listed as threatened in N.C. by Cooper, et al., 1977; sizable and vigorous population in excellent habitat.
Special concern species	Throughout	Black Bear	Listed as of Special Concern in N.C. by Cooper, et al., 1977; undetermined population but believed to be relatively high; habitat sufficiently extensive and remote for maintenance of long-term population.
Rare species	CT 1, CT 2, CT 3	Black-throated Green Warbler, Swainson's Warbler, Worm-eating Warbler	Species of wood warblers which are uncommon and locally distributed breeding birds in the N.C. coastal plain, primarily in forested wetland habitats associated with peat or peaty mineral soils. The swamp forest communities of the natural area have large populations of these species; the disjunct coastal plain population of the Black-throated Green Warbler occurs in numbers equalled only in the Great Dismal Swamp and the adjacent Dare County portion of the Alligator River swamp.

12. Significance Summary Table (categories represented and descriptions) - by site

a. Feature	Map Legend	b. Description of significant feature	c. Comparative assessment
Avian Species Diversity	CT 1,2,3	Diverse assemblage of breeding birds	Approximately 40 species are known or are suspected of breeding in the swamp forest communities. This total includes 10 species of wood warblers and 5 species of woodpeckers. This represents an excellent total for a forested wetland ecosystem in the N.C. coastal plain.
Unusual geomorphological feature	5	Swan Creek Lake	Swan Creek Lake is located along the channel of Swan Creek. This lake and several other examples in the adjoining Dare County peninsula (Back Lake, Milltail Lake, Whipping Creek Lake) are dissimilar from most other natural coastal plain lakes, such as Phelps and Pungo, in being located along peat-filled stream channels rather than in topographically elevated portions of the landscape. These "stream channel" lakes may be the result of deep peat burns, although their origin is still uncertain. Swan Creek Lake is an excellent example of this rare geomorphological feature,

12. Significance Summary Table (categories represented and descriptions) - by site

a. Feature	Map Legend	b. Description of significant feature	c. Comparative assessment
			both in terms of lack of disturbance and its wilderness character.

18. Uses of natural area:

Essentially all of the natural area has been logged over in several cycles to obtain the successively most valuable remaining or regenerated timber. Most of the timber was removed by a combination of barge and a system of tram roads. Recently, Atlantic white cedar stands have been clearcut, particularly in the Swan Creek drainage area. Other species which have been selectively logged are baldcypress, loblolly pine, and swamp blackgum.

Hunting is a low-intensity use throughout the area; deer and black bear are the principal game species. Bee yards are placed seasonally at scattered locations along the roads.

The inland margins of the natural area are steadily being cleared and drained for agricultural development. Portions along the southern margin have been ditched and a road system constructed although clearing of the vegetation has not yet begun. Peat mining for energy production is possible on these soils in the long term. Pamlico Properties, Inc. has recently applied for a permit to begin experimental peat mining within the natural area.

19. Uses of surrounding land:

a. Wildland 50 %
b. Agricultural land 50 %
c. high-intensity forestry %
d. developed %

20. Preservation Status:

Cat	* %	*Description of preservation status
6	100	private land, not protected as a natural area by owner

21. Regulatory protections in force:

The Army Corps of Engineers "404" permit regulations apply to this area. The Federal Endangered Species Act of 1973 protects the American Alligator and its habitat. These two sources of regulation are limited in scope and ultimate effect.

22. Threats:

Timber cutting is the chief threat to the natural integrity of the site in the short term. Additional land clearing associated with the "superfarm" development to the south continues to erode the margins of the natural area. Logging, per se, is not the primary cause of ecological degradation. It is the associated ditch and road construction which results in lowered water tables and in increasing accessibility of the swamp forest interior. Although the road construction increases the "edge effect" and benefits certain species, it also increases access and makes large game species, such as black bear, more susceptible to hunting pressure.

There is also a threat of peat mining in the area. Recently, a peat mining permit application has been submitted for much of the natural area. Otte and Ingram (1980) have found energy grade peat (less than 25% ash at 0% moisture) under much of the natural area. Agricultural development is limited as a threat to some degree because the woody peats are uneconomical to farm.

23. Management and Preservation Recommendation:

The Alligator River-Swan Creek Lake natural area offers an excellent opportunity for conservation of a superlative palustrine (non-riverine) swamp forest system. In conjunction with adjacent Dare County natural areas, the tract contains an extensive wetland ecosystem containing a diverse assemblage of communities and associated wildlife diversity. The Alligator River natural lands corridor is one of the largest relatively undisturbed swamp forest tracts remaining in the N.C. coastal plain. The U. S. Fish and Wildlife Service should look into the possibility of acquiring the land and establishing a national wildlife refuge unit.

Natural Characteristics Summary

24a. Vegetation - Biotic Community Summary CT 1

Community type: Nyssa sylvatica var. biflora-mixed lowland conifers/ Persea borbonia/Clethra alnifolia-Lyonia lucida

Community cover type: Nyssa sylvatica var. biflora-mixed lowland conifers

General habitat feature: palustrine swamp

Average canopy height: 60-75 feet

Estimated age of canopy trees: 50-75+ years

Canopy cover: partially open-closed

Estimated size of community: 9400 acres

Successional stage: near climax

Common canopy species in community cover or community type (but not dominant):

Nyssa sylvatica var. biflora
Chamaecyparis thyoides
Pinus taeda

Common sub-canopy or shrub stratum species in community cover or community type (but not dominant):

Acer rubrum
canopy species transgressives

Common herb stratum species in community cover or community type (but not dominant):

None.

Sphagnum sp. is abundant ground cover over much of area.

Natural Characteristics Summary

24a. Vegetation - Biotic Community Summary CT 2

Community type: Taxodium distichum/Nyssa sylvatica var. biflora-mixed lowland conifers/Persea borbonia/Clethra alnifolia-Lyonia lucida

Community cover type: Taxodium distichum

General habitat feature: palustrine swamp

Average canopy height: 75-90 feet

Estimated age of canopy trees: 75+ years

Canopy cover: open

Estimated size of community: 1000

Successional stage: Climax

Common canopy species in community cover or community type (but not dominant):

Pinus taeda

Common sub-canopy or shrub stratum species in community cover or community type (but not dominant):

Acer rubrum

Common herb stratum species in community cover or community type (but not dominant):

None

Sphagnum sp. is an abundant ground cover of much of the area.

Natural Characteristics Summary

24a. Vegetation - Biotic Community Summary CT 3

Community type: **Chamaecyparis thyoides/mixed shrubs**

Community cover type: **Chamaecyparis thyoides**

General habitat feature: **palustrine swamp**

Average canopy height: **30-40 feet**

Estimated age of canopy trees: **less than 50 years**

Canopy cover: **closed**

Estimated size of community: **500**

Successional stage: **early-mid successional**

Common canopy species in community cover or community type (but not dominant):

None

Common sub-canopy or shrub stratum species in community cover or community type (but not dominant):

Acer rubrum	**Clethra alnifolia**
Persea borbonia	**Vaccinium corymbosum**
	Ilex coriacea

Common herb stratum species in community cover or community type (but not dominant):

None

Sphagnum sp. mats are usually present.

Natural Characteristics Summary

24a. Vegetation - Biotic Community Summary CT 4

Community type: Pinus serotina/Acer rubrum-Persea borbonia/mixed shrubs

Community cover type: Pinus serotina

General habitat feature: palustrine wetland

Average canopy height: 60-75 feet

Estimated age of canopy trees: 50-75 years

Canopy cover: Open

Estimated size of community: 5000 acres

Successional stage: near climax to climax (probably pyroclimax)

Common canopy species in community cover or community type (but not dominant):

None

Common sub-canopy or shrub stratum species in community cover or community type (but not dominant):

Nyssa sylvatica var. biflora
Ilex glabra
Lyonia lucida

Common herb stratum species in community cover or community type (but not dominant):

Arundinaria gigantea (locally dominant)

Vines: Smilax laurifolia

24b. Soil Summary (by community type) CT 1, 2, 3, 4

Soil series: Pungo

Soil classification: dysic, thermic Typic Medisaprists

Soil association: Dare-Pungo-Dorovan

pH class: Extremely acid (less than 4.5)

Source of information: General Soil Map of Hyde County, N.C., SCS, USDA, 1973

Other notes:

24c. Hydrology Summary (by community type) CT 1, 2, 3, 4

Hydrologic system: Palustrine

Hydrologic subsystem: Interaqueous

Water chemistry: Fresh-acid

Water regime: Saturated

Drainage class: Very poorly drained

Drainage basin: Alligator River

Hydrology characterization: A very poorly drained, saturated, fresh-acid, interaqueous palustrine system.

24d. Topography Summary: CT 1, 2, 3, 4

Landform: Peat-mantled flat

Shelter: Open

Aspect: Not applicable

Slope Angle: Not applicable

Profile: Not applicable

Surface patterns: Hummocky; many fallen logs and uprooted trees; scattered numerous depressions

Position: Not applicable

25. Physiographic characterization of natural area:

An assemblage of early successional to climax communities occupying a very poorly drained, peat-mantled flat plain along the Alligator River and Swan Creek in the Coastal Plain Province of the Atlantic Plain.

Geological Formation:

Pleistocene Pamlico Terrace formation (less than 100,000 yrs. BP) overlying the Miocene Yorktown formation (15-25 my BP).

Geological Formation age:

See above.

References Cited:

Daniels, R. B., E. E. Gamble, and W. H. Wheeler. 1978. Age of Soil Landscapes in the Coastal Plain of North Carolina. Soil Science Society of America Journal 42: 98-105.

26. Summary - Endangered and threatened species

Name of species: American alligator

Species legal status and authority: Federally endangered Endangered Species Act of 1973

Number of populations on site: Unknown.

Number of individuals per population: Unknown.

Size or Maturity of individuals: probably all age classes

Phenology of population: not applicable

Eg: vegetative %
flowering %
fruiting %

General vigor of population: unknown-not observed by authors within natural area.

Disturbance or threats to population: Illegal trapping

Habitat characteristics

Plant community: aquatic communities in Swan Lake

Topography: n/a

Soil Series: n/a

Microclimate: n/a

Drainage basin: n/a

Other plants and animal species present: See Master Species Lists.

AERIAL OR DETAILED MAPS WITH POPULATIONS CLEARLY MARKED.

26. Summary - Endangered and threatened species

Name of species: Red-shouldered Hawk

Species legal status and authority: Threatened in North Carolina (Cooper et al., 1977)

Number of populations on site: Unknown, probably at least 2-3 nesting pairs

Number of individuals per population: 2 adults plus young of the year

Size or Maturity of individuals: adult and immatures

Phenology of population: not applicable

Eg: vegetative %
flowering %
fruiting %

General vigor of population: Excellent

Disturbance or threats to population: Clearcutting, conversion of swamp forest to agriculture

Habitat characteristics

Plant community: all of the swamp forest communities

Topography:

Soil Series:

Microclimate:

Drainage basin:

Other plants and animal species present: See Master Species Lists.

AERIAL OR DETAILED MAPS WITH POPULATIONS CLEARLY MARKED.

26. Summary - Endangered and threatened species

Name of species: Black Bear

Species legal status and authority: Of Special Concern in N.C. (Cooper et al., 1977)

Number of populations on site: one

Number of individuals per population: not known but believed to be significantly high

Size or Maturity of individuals: probably all ages

Phenology of population:

Eg: vegetative %
flowering %
fruiting %

General vigor of population: Not known but believed to be good. At least one bear was observed (near 4th Avenue West on 12 August) and numerous tracks and scat were seen throughout natural area.

Disturbance or threats to population: Illegal hunting, land clearing and conversion of swamp forest and pocosin habitats to agriculture.

Habitat characteristics

Plant community: Throughout

Topography: n/a

Soil Series: n/a

Microclimate: n/a

Drainage basin: n/a

Other plants and animal species present: See Master Species Lists.

AERIAL OR DETAILED MAPS WITH POPULATIONS CLEARLY MARKED.

27. Master species lists:

Alligator River Swamp Forest

ACERACEAE
  Acer rubrum
ANACARDIACEAE
  Rhus radicans
AQUIFOLIACEAE
  Ilex glabra
  I. coriacea
  I. opaca
BLECHNACEAE
  Woodwardia areolata
  W. virginica
CAPRIFOLIACEAE
  Viburnum nudum
CLETHRACEAE
  Clethra alnifolia
CUPRESSACEAE
  Chamaecyparis thyoides
CYPERACEAE
  Carex spp.
CYRILLACEAE
  Cyrilla racemiflora
ERICACEAE
  Leucothoe axillaris
  Lyonia lucida
  Vaccinium corymbosum
LAURACEAE
  Persea borbonia
LILIACEAE
  Smilax laurifolia
LOGANIACEAE
  Gelsemium sempervirens
LORANTHACEAE
  Phoradendron serotinum
MAGNOLIACEAE
  Magnolia virginiana
MYRICACEAE
  Myrica heterophylla
NYSSACEAE
  Nyssa sylvatica var. biflora
ORCHIDACEAE
  Tipularia discolor
PINACEAE
  Pinus taeda
  P. serotina

POACEAE
  Andropogon sp.
  Arundinaria gigantea
POLYPODIACEAE
  Polypodium polypodioides
TAXODIACEAE
  Taxodium distichum
THEACEAE
  Gordonia lasianthus
VITACEAE
  Parthenocissus quinquefolia

AMPHIBIANS

Green Frog
Southern Leopard Frog
Carpenter Frog

REPTILES

Canebrake Rattlesnake

BIRDS

(Emphasis of bird lists is on breeding or summering species; lack of adequate field work during the other seasons prevented compilation of a complete list.)

KEY

PR = Permanent resident
SR = Summer resident
WR = Winter resident
T = Transient; spring or fall
PV, SV, WV = Visitor; permanent, summer, or winter
* = Breeding or suspected breeding at site

Wood Duck	PR*
Great Blue Heron	PR
Green Heron	SR*
Red-tailed Hawk	PR*
Red-shouldered Hawk	PR*
Common Bobwhite	PR*
Ring-billed Gull	WV
Mourning Dove	PR*
Yellow-billed Cuckoo	SR*
Screech Owl	PR*
Great Horned Owl	PR*
Barred Owl	PR*
Ruby-throated Hummingbird	SR*
Common Flicker	PR*
Pileated Woodpecker	PR*
Red-bellied Woodpecker	PR*
Hairy Woodpecker	PR*
Downy Woodpecker	PR*
Great Crested Flycatcher	SR*
Barn Swallow	SV
Purple Martin	SV
Common Crow	PR*
Fish Crow	PV
Carolina Chickadee	PR*
Tufted Titmouse	PR*
Winter Wren	WR
Carolina Wren	PR*
Gray Catbird	PR*
Brown Thrasher	PR*
Wood Thrush	SR*
Hermit Thrush	WR

Blue-gray Gnatcatcher	SR*
Ruby-crowned Kinglet	WR
White-eyed Vireo	SR*, possibly winters
Prothonotary Warbler	SR*
Swainson's Warbler	SR*
Worm-eating Warbler	SR*
Northern Parula Warbler	SR*
Yellow-rumped Warbler	WR
Black-throated Green Warbler	SR*
Yellow-throated Warbler	SR*
Pine Warbler	PR*
Prairie Warbler	SR*
Common Yellowthroat	PR*
Hooded Warbler	SR*
Common Grackle	PV
Brown-headed Cowbird	PR*
Northern Cardinal	PR*
Indigo Bunting	SR*
Pine Siskin	WV
Rufous-sided Towhee	PR*
Swamp Sparrow	WR
Song Sparrow	WR

MAMMALS

Raccoon - many tracks, several seen
White-tailed Deer - abundant tracks, many seen
Eastern Gray Squirrel - commonly seen
Black Bear - many tracks and scat, at least one observed near 4th Avenue West
Bobcat - one set of tracks
Marsh Rabbit - tracks

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NATIONAL PARKS AND RECREATION
MINING AND NATURAL RESOURCES

TESTIMONY OF THE HON JAIME B. FUSTER BEFORE HOUSE APPROPRIATIONS SUBCOMMITEE ON INTERIOR

April 17, 1986

Mr. Chairman, distinguished members of the Subcommittee on Interior:

I appear before you on behalf of the 3.5 million American citizens who live in Puerto Rico, whom I represent in the U.S. Congress. I come to ask for your support for the FY 87 budgetary recommendations of the House Interior and Insular Affairs Committee regarding Puerto Rico. All such recommendations are very important to my constituents, and I will comment on each one of them briefly.

Before I begin such task, however, let me review for you some relevant facts about the people whom I represent in Congress, so as to place in proper perspective the budgetary recommendations which I am asking you to support.

After an 88-year-long legal relationship between the island and the mainland and despite substantial economic development, particularly during the 1950's and the 60's, Puerto Ricans still remain the poorest group within the American population. Per capita personal income is far below mainland levels, amounting to one third of the level for the U.S. generally and to half the level of the poorest of the 50 states. Mean family income for all the families in Puerto Rico is only slightly above the U.S. poverty level. Unemployment in Puerto Rico has remained over 15% since 1975 and has been over 20% since 1982, recently going up as high as 24%. Close to 50%--49% of households and 42.2% of individuals-- of the population of the island is currently participating in the federally funded nutrition assistance program. Approximately half of the families participating in such program in 1984 had a total income of $2,000 or less. Economic growth since the early 70's has been nearly null and net out migration from Puerto Rico to the mainland has been growing steadily over the last decade and a half.

In spite of the very dire economic circumstances of the island, Puerto Rico does not participate at all in several major federal assistance programs, such as General Revenue Sharing and the Supplemental Security Income; and participates only to a limited extent in various important federal programs for the needy such as AFDC, Medicaid, Medicare, food nutrition and others. These exclusions are particularly unfortunate, Mr. Chairman, because those in poverty in the island disproportionately comprise the elderly, children under 18, and single-parent female-headed families. Mr. Chairman, today as yesterday the poorest of the poor in the nation are in Puerto Rico.

I have dwelt to some extent on these facts because it is in their light that we can say that specific requests for which I ask your support are of crucial importance to the very needy American citizens of Puerto Rico.

Especially important, Mr. Chairman, is the House Interior Committee's recommendation regarding Puerto Rico's Nutrition Assistance Program. In FY 82 Puerto Rico was taken out of the national Food Stamp Program and was granted a special block grant at a funding level 25% below what the island was getting then. At that time, Puerto Rico had to remove approximately 100,000 needy families from the island's assistance rolls in order to adjust to the substantial reduction in funding. Puerto Rico also had to decrease the amount of aid provided to the very needy that remained in the assistance rolls. Thus, while an indigent family of four in the mainland can get maximum monthly benefits of $264, and qualify for assistance even with an income as high as $13,260 a year, an island family of four only gets a maximum of $199 and it qualifies for no aid if its income exceeds $8,000 a year.

Puerto Rico accepted this huge and unfair reduction in nutrition assistance funds in part because it seemed at that time that the amount of the block grant was minimally fixed and the needy U.S. citizens in Puerto Rico could count on it with certainty.

For five fiscal years after its establishment, from 1982-1986, the Puerto Rico Nutrition Assistance Program was not granted any increase for inflation, despite the fact that food costs in Puerto Rico are higher than those in the mainland and despite the fact that such higher food costs grew annually all those years at a rate that was also higher than that of the mainland. As if the substantial reduction in funds ordered in 1981 had not been enough, the NAP

legislation never provided for cost of living adjustments, even though such COLA'S did exist for the National Food Stamp Program. Puerto Rico indeed had been treated to a double whammy and over five years the accumulated increase in food costs have substantially diminished the buying power of an already substantially reduced nutrition assistance program. If the reduced block grant remains frozen, it will provide 41% less for food purchases in FY '87 than what the Puerto Rican needy would have obtained if Puerto Rican participation in the National Food Stamp Program had not been replaced in 1982 with the capped and unadjusted block grant.

This gross inequity was made even more unfair just last December when Congress at the last hour enacted P.L. 99-190 imposing a 0.6% cut on the NAP block grant, reducing it to $820.0 million. This has led to an inmediate readjustment by which those families receiving an average of $165 a month for their food needs will receive $6.35 less. Needless to say, to families living in extreme penury, such reductions are major hurdles that prevent an adequate nutrition and a standard of living that can assure them some dignity. That is why, Mr. Chairman, that it is so important to support the House Interior Committee's recommendation regarding Puerto Rico's Nutritional Assistance Program (NAP). It would really be inexcusable to increase the burden of needy American citizens in the island by keeping the Nutritional Assistance Program (NAP) frozen. I urge your Committee to restore the 1986 funding level to what it was in 1985 and to appropriate the funding levels called for and enacted into law with the passage of the Food Security Act of 1985. That act provides for a modest 3% increase in the block grant to partially offset the reductions in buying power suffered by NAP due to inflation.

Mr. Chairman, I also request the Subcommittee's support for a second budgetary recommendation approved by House Interior and Insular Affairs Committee regarding Puerto Rico. I refer to a petition to restore funds to Puerto Rico that were unduly cut in the FY 86 budget, through an improper sequestration by the General Accounting Office under the Gramm-Rudman legislation. Contrary to what I believe was the Congressional intent, GAO applied the legislation in question to internal revenue collections for Puerto Rico. It subjected to reduction excise taxes and customs duties that the Federal Government has collected without alteration for Puerto Rico since 1900, and which form part of the national and international commitments of the U.S. to the Commonwealth of Puerto Rico. I believe urgent action is needed to nullify the GAO action to ensure that full payment of these collections is made to Puerto Rico as required by P.L. 600. I accompany a detailed memo that I have written on this matter, which I think clearly shows why GAO's sequestration was improper.

Mr. Chairman, to conclude I would like to reiterate to you two requests that have been communicated to you in writing recently.

The first one concerns the use of $5M appropriated by this Committee in FY 84 for the purchase of Laguna Tortuguero in Puerto Rico at the request of the previous government of Puerto Rico. The present Government of Puerto Rico has objected to the acquisition of the site by the Fish and Wildlife Service believing the property should remain in the Commonwealth purview. The Government of Puerto Rico, however, is in urgent need of the $5M for the restoration of El Morro Castle, a unique 16th Century national monument of incomparable historical importance to the island and the nation, especially as the celebration of the Sesquicentennial of the Discovery of the New World approaches.

We request that the $5M assigned for the purchase of Laguna Tortuguero be transfered for use in the restoration of El Morro and El Cañuelo.

Finally, Mr. Chairman, we have submitted to you a modest request of $200,000 each for FY 1987 and for two subsequent years for the Fundación Muñoz Marin, an outstanding institution that houses the memorabilia and papers of our late revered statesman 4-term Governor Luis Muñoz Marin. The moneys requested will be used to advance and promote cooperation ties among scholars, govermental and academic sources and to promote the development of dialogue and the search for common solutions in the Caribbean Basin region and Latin America.

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MEMO ON INTERNAL REVENUE COLLECTIONS FOR P.R. THAT HAVE BEEN UNDULY SEQUESTERED PURSUANT TO THE GRAMM - RUDMAN ACT

March 4, 1986

Facts:

On January 21, 1986 the Comptroller General of the U.S. included internal revenue collections for the Commonwealth of Puerto Rico in his list of accounts subject to sequestration under the Balanced Budget and Emergency Control Act of 1985 (P.L. 99-177). In so doing, the Comptroller General reversed the treatment accorded to such collections by the Directors of the Office of Management and Budget (OMB) and of the Congressional Budget Office (CBO), which had not included them in their official list of sequesterable funds. (See 51 Fed. Register, No. 13, pp. 2813-15 and page 2844)

The decision by the Comptroller General was mandatorily incorporated as part of the Sequestration Order for Fiscal Year 1986 issued by President Reagan on February 1, 1986, which became effective on March 1, 1986. (See House Document 99-160, p. 811)

As will be shown below, the sequestration of internal revenue collections for Puerto Rico is not unequivocally required by the Gramm - Rudman Act and has been done on the basis of an unduly

funds related to it cannot be subject to sequestration. Such funds could not have been intended for reduction under Gramm-Rudman without at the same time causing a gross and drastic distortion of a federal- insular arrangement that has been deliberately preserved by Congress and the Executive for many decades. There is nothing in the record of Gramm-Rudman to suggest a Congressional intent to so radically change the nature of the funds in question.

II- U.S. Domestic and International Commitments and the Puerto Rican Internal Revenue Collections

The above is particularly true if one considers that the cover over mechanism is also part of the U.S. domestic and international commitments regarding Puerto Rico and that a unilateral modification of the historical policy of rebating the internal revenue collections at issue would not only contravene U.S. domestic obligations to Puerto Rico but U.S. international obligations as well.

The cover over provision was made part of the Compact entered into by Puerto Rico and the United States in 1950 whereby the Commonwealth relationship was created, pursuant to Public Law 600, (64 Stat. 319, 48 USC 734) a Compact that, as the United Nations were told by the official representative of the United States there, "is far stronger than a treaty, /inasmuch as/ a compact cannot be denounced by either party unless it has the permission of the other". (Statement by Mr. Masson Sears; see U.S. Mission to the United Nations Press Release No. 1741, p. 1: Official Records of the General Assembly, Eighth Session, Fourth Committee, Trusteeship, pp. 216).

In 1953 the United States, pursuant to the Compact-based

restrictive interpretation of said Act, in contravention of long-standing federal norms and overriding congressional policies.

I- Congressional Intent and Executive Policies Regarding Puerto Rico's Internal Revenue Collections

Federal cover over to Puerto Rico of U.S. excise tax collections from the island is a fundamental element of the fiscal relationship between the U.S. and the Commonwealth of Puerto Rico and a policy arrangement that the U.S. has consistently honored throughout this century.

The present arrangement by which the United States Treasury acts as a collection agent for the Commowealth with respect to excise taxes on Puerto Rican goods sold on the mainland has its roots in the first Organic Act of Puerto Rico,enacted by Congress in 1900. It first got its present form in 1917, pursuant to the second Organic Act of Puerto Rico. The current cover over provision was enacted as part of the Puerto Rican Federal Relations Act of 1950 (P.L. 600) which created the Commonwealth and was adopted by Puerto Rico and the mainland in the nature of a Compact.

It has been authoritatively established that the cover over mechanism was not created for federal revenue purposes. (See Commonwealth of Puerto Rico v Blumenthal, 642 F 2d 622, 634 (1980)) Indeed, as the Director of OMB explained in his testimony to the U.S. Senate Budget Committee (Jan. 22, 1986), these funds appear in the federal budget only "as an incidental matter for convenience of administration rather than as a means of resource allocation". By their very nature they are not funds properly subject to a sequestration scheme because they are not funds that could in any way be utilized by the federal government. They are, by nature, analogous to state taxes which are merely collected by the federal government acting as an agent for Puerto Rico.

The purpose of the cover over provision has long been well established. The mechanism was created to compensate Puerto Rico for a serious economic and constitutional limitation it came to suffer when annexed to the United States in 1898: its inability to impose and collect customs duties on foreign imports. Puerto Rico, a small, resource-poor island has always depended on imports for its necessities. Customs duties on such imports could be a source of large amounts of revenue for the Puerto Rican treasury, as they were once in the past when the island imported many European goods and collected the corresponding duties. That possibility was disrupted by the relationship with the mainland since Puerto Rico not only relies for its imports mostly on duty-free products it buys from the U.S. but also because under the terms of the relationship Puerto Rico lacks the constitutional authority to impose customs duties. To remedy this situation Congress enacted the cover - over provision. (See Commonwealth of P.R. v. Blumenthal, op. cit., at page 629. See also H.R. Rep. No. 77, 64th Cong., 1st Sess. 1-2 (1916))

The cover-over provision, then, is clearly not an arrangement to produce revenues for the federal government, but rather a mechanism to permanently offset a serious structural drawback in the relationship between the U.S. and Puerto Rico. As such the

funds related to it cannot be subject to sequestration. Such funds could not have been intended for reduction under Gramm-Rudman without at the same time causing a gross and drastic distortion of a federal- insular arrangement that has been deliberately preserved by Congress and the Executive for many decades. There is nothing in the record of Gramm-Rudman to suggest a Congressional intent to so radically change the nature of the funds in question.

II- U.S. Domestic and International Commitments and the Puerto Rican Internal Revenue Collections

The above is particularly true if one considers that the cover over mechanism is also part of the U.S. domestic and international commitments regarding Puerto Rico and that a unilateral modification of the historical policy of rebating the internal revenue collections at issue would not only contravene U.S. domestic obligations to Puerto Rico but U.S. international obligations as well.

The cover over provision was made part of the Compact entered into by Puerto Rico and the United States in 1950 whereby the Commonwealth relationship was created, pursuant to Public Law 600, (64 Stat. 319, 48 USC 734) a Compact that, as the United Nations were told by the official representative of the United States there, "is far stronger than a treaty, /inasmuch as/ a compact cannot be denounced by either party unless it has the permission of the other". (Statement by Mr. Masson Sears; see U.S. Mission to the United Nations Press Release No. 1741, p. 1: Official Records of the General Assembly, Eighth Session, Fourth Committee, Trusteeship, pp. 216).

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In 1953 the United States, pursuant to the Compact-based

Commonwealth relationship that it had just entered into with Puerto Rico, informed the United Nations that Puerto Rico was no longer a non-self governing territory under Article 73 (e) of the U.S. Charter. In requesting from the United Nations that the United States be relieved of the obligation to report annually to the world body on the situation of the island, Congresswoman Frances Bolton, member of the U.S. delegation, described the new relationship between the United States and Puerto Rico as follows:

> "The previous status of Puerto Rico was that of a territory subject to the full authority of the Congress of the United States in all governmental matters. The previous constitution of Puerto Rico was in fact a law of the Congress of the United States, which we called an Organic Act. Congress only could amend the Organic Act of Puerto Rico. The present status of Puerto Rico is that of a people with a constitution of their own adoption, stemming from their own authority, which only they can alter or amend. The relationships previously established also by a law of the Congress, (that is, by the Puerto Rican Federal Relations Act) which only Congress could amend, have now become provisions of a compact of a bilateral nature whose terms may be changed only by common consent."

The United Nations were told that a bilateral Compact ordains the relationship between the United States and Puerto Rico and on the bases of such representation the United Nations voted 26 tc 16, with 18 nations abstaining, to endorse the new relationship and remove Puerto Rico from the list of non-self governing territories under United Nations tutelage. (See U.N. Gen. Assembly Resolution No. 748 (viii) of November 27, 1953). For more than one and a half decades now Cuba and other countries have attempted to have the United Nations revoke its 1953 decision on Puerto Rico, failing every time and showing by such persistent failures the continuing international validity of the United Nations 1953 decision.

It should be noted that the existence of a Compact and of a new U.S.-P.R. relationship based on said Compact has been consistently recognized in many federal judicial decisions, including some from the U.S. Supreme Court.[1]

In light of the above, it is clear that, inasmuch as the cover over provision regarding Puerto Rican internal revenue collections is an essential part of the Compact between the U.S. and the Commonwealth of Puerto Rico, it cannot be considered that Congress intended to subject such collections to Gramm-Rudman sequestration without at the same time imputing Congress with a unilateral violation of the judicially recognized Compact and a relinquishment of its commitments to Puerto Rico and to the international community.

Of course, as will be shown below, on the basis of the record and the very language of the law, it is wholly unwarranted to assume that Congress deliberately intended to contravene the Compact that governs the U.S. - P.R. relations or to distort a

---

1/ Federal courts since 1953 have consistently recognized that "Commonwealth" is not a state nor a territory but a new political entity created under the terms of the Compact entered into by the People of P.R. and the U.S. See Mora v Torres, 113 F. Supp. 309, Mora v Mejías, 115 F. Supp. 610; Consentino v ILA, 126 F. Supp. 420; Cuebas v Kenton, 126 F. Supp. 366; Moreno Ríos vs US 256 F 2d 68; Wackenhut v Aponte 266 F. Supp. 401; Figueroa v People of P.R., 232 F2d 615; Cordova v Chase, 649 F 2d 36 and US v Quinones (No. 84-1461, 1st Circuit, April 1985).

The United States Supreme Court has also recognized the existence of a compact and the unique status of Commonwealth, particularly quoting approvingly lower federal court decisions. See, Wackenhut v Aponte 386 US 268 (1967); Calero v Pearson 416 US 663 (1973); Examining Board v Flores, 426 US 572 (1976) and Rodríguez v PPD, 457 US 1 (1982).

historical fiscal mechanism that was established to remedy a grave shortcoming in the economic and political relationship between the island and the mainland.

III- The Gramm-Rudman Act and Puerto Rico's Internal Revenue Collections

In the first two parts of this memorandum it was asserted that Puerto Rican Internal Revenue collections are not funds properly subject to a sequestration scheme; and that to do so would entail charging Congress with a drastic distortion of a long standing federal policy and with a unilateral contravention of national and international commitments regarding the people of Puerto Rico. It will be asserted now that Gramm-Rudman need not be so ominously interpreted.

At the outset ~~it~~ should be noted that there is nothing in the text of P.L. 99-177 that specifically authorizes the sequestration of internal revenue collections for Puerto Rico.

Likewise, the legislative record of the Gramm-Rudman Act is totally lacking of any mention or discussion of this matter. This absolute silence in the law and the record points to the true intent of Congress: no one involved in the drafting of the Act even thought that revolving accounts such as the ones in question were sequesterable funds. Given the immense constraint faced in passing this bill, the issue did not even merit discussion. Evidence of this fact is provided by the statements of several key congressmen who have direct jurisdiction over the matter, and who have expressed their opinion that it was never the deliberate intent of Congress to subject Puerto Rican excise taxes to reduction under the Act." (See accompanying letters from Congressmen Thomas Foley, William Gray and Morris Udall).

Moreover, from a strictly technical point of view, it is clear that the funds at issue can be considered as exempt from sequestration under one of the specific clauses of the Act.

The exemption in question is the exemption for "trust funds". Payments to trust funds from excise taxes or other receipts properly creditable to such trust funds" are exempted, under Section 255(g)(1) of the Gramm-Rudman Act, from the deficit-reducing spending cuts imposed by Part C of the Act. Under 31 U.S.C. S 1321, the account at issue is explicitly classified on the books of the U.S. Treasury as a "trust fund".

The account at issue is described in the Appendix to the President's 1986 budget as follows:

> "Excise taxes collected under the Internal Revenue laws of the United States on articles produced in Puerto Rico and either transported to the United States or consumed on the island are paid to Puerto Rico (26 U.S.C. 7652)."

This account is classified as a trust fund in 31 U.S.C. Sec. 1321 (a), which states, in pertinent part: -

> "The following are classified as trust funds:
>
> . . . .
>
> (62) Puerto Rico special fund (Internal Revenue)."

The budget account listed by GAO as subject to reduction is unquestionably the identical account that is classified as a "trust fund" in 31 U.S.C.Sec. 1321 (a)(62). Congress originally adopted

31 U.S.C. Sec. 1321 in 1934, as Section 20 of Chapter 756 of the Laws of the Seventy-Third Congress, Second Session. The House Appropriations Committee hearings on this statute show that the "Puerto Rico special fund (Internal Revenue)" which Section 1321 (a) (62) classifies as a "trust fund" is the fund that the Treasury Department established for use in processing excise taxes collected for payment to Puerto Rico in compliance with Section 9 of the Organic Act of 1917 (Jones Act), of March 2, 1917, 39 Stat. 954 which requires that excise taxes collected by the United States on goods of Puerto Rican manufacture coming into the United States be "covered into" the Treasury of Puerto Rico; the U.S. Treasury Department handles these tax revenues as a mere collection agent for Puerto Rico. The reference to 26 U.S.C. Sec. 7652 in the discussion of the "Internal Revenue Collections for Puerto Rico" account in the President's budget makes plain that it is this excise tax cover-over that is the subject of the budget account GAO has listed for sequestration.2/

Thus, since the budget account for "Internal Revenue Collections for Puerto Rico" is a trust fund, it comes within the specific exception for trust funds in the Gramm-Rudman Act, and it should not have been listed among those subject to sequestration.

2/ Codifiers' cross-references further confirm that the account listed by GAO for sequestration and the account classified as a "trust fund" in 31 U.S.C. Sec. 1321 (a) (62) are one and the same. When the 1934 trust-fund provision was codified as 31 U.S.C. Sec. 725s in the 1935 code, the codifier inserted cross-references to that provision following both cover-over sections (48 U.S.C. Sec. 734 and 26 U.S.C. Sec. 1480 (c)).

IV- Conclusion

To conclude, the Comptroller General's decision regarding Puerto Rican excise taxes is erroneous. It is the result of a narrow and rigid interpretation of that part of the Act which generally subjects permanent indefinite appropriations to sequestration. It is the result of a view that deems the Act as absolutely comprehensive and mechanical and which conveniently frees the General Accounting Office from having to ponder matters that are not within the scope of the Act.

It behooves Congress to decisively clarify this matter, to avoid the substantial unintended harm that will result if GAO's decision is not reversed.

STATEMENT OF THE:

HONORABLE MARY ROSE OAKAR (D-OH)

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON INTERIOR

APRIL 17, 1986

ROOM B-308 RAYBURN HOB

I WOULD LIKE TO THANK THE MEMBERS OF THE COMMITTEE AND ITS DISTINGUISHED CHAIRMAN, THE HONORABLE SYD YATES, FOR GIVING ME THIS OPPORTUNITY TO MAKE A STATEMENT IN OPPOSITION TO THE FY '87 BUDGET CUTS TO THE NATIONAL ENDOWMENT FOR THE ARTS, THE NATIONAL ENDOWMENT FOR THE HUMANITIES, AND THE INSTITUTE FOR MUSEUM SERVICES, PROPOSED BY THE REAGAN ADMINISTRATION.

I FEEL A SENSE OF DEJA VU, FOR IT IS ONE YEAR AGO THAT I TESTIFIED BEFORE THIS COMMITTEE IN OPPOSITION TO PROPOSED FY '86 CUTS TO THE NEA, NEH, AND IMS, PROPOSED BY THE REAGAN ADMINISTRATION. IN FACT, EVERY BUDGET PROPOSAL OF THE ADMINISTRATION SINCE 1981 HAS ACTIVELY SOUGHT TO CUT FUNDING FOR THE ARTS AND RELATED CULTURAL PROGRAMS AND INSTITUTIONS.

THE ADMINISTRATION HAS PROPOSED CUTTING THE BUDGET OF THE NEA FROM $165.661 MILLION TO $144.9 MILLION (LESS 4.3% FOR GRAMM-RUDMAN); CUTTING THE BUDGET OF THE NEH FROM $138.641 MILLION TO $126.44 MILLION (LESS 4.3% FOR GRAMM-RUDMAN); AND TO ELIMINATE THE IMS BY CUTTING ITS BUDGET FROM $21.3 MILLION TO $330,000 (LESS 4.3% FOR GRAMM-RUDMAN). THE ADMINISTRATION'S BUDGET ALSO PROPOSES TO CUT THE FUNDING OF THE HISTORIC PRESERVATION FUND FROM THE FY '86 BUDGET OF $24.795 MILLION TO A ZERO BALANCE-- ON TOP OF ELIMINATING NEW FUNDS FOR THE PRESERVATION FUND, THE ADMINISTRATION WANTS TO RESCIND ALL REMAINING FUNDS FROM THE FY '86 APPROPRIATIONS. THESE CUTS, ALONG WITH THE 4.3% ACROSS THE BOARD REDUCTION PROPOSED BY GRAMM-RUDMAN, WILL HAVE AN EXTREMELY NEGATIVE EFFECT ON THE OPERATIONS OF THESE IMPORTANT AGENCIES.

IT IS MOST UNFORTUNATE THAT PRESIDENT REAGAN, A FORMER SCREEN ACTORS GUILD PRESIDENT AND ACTOR, FAILS TO PLACE A HIGH VALUE ON CULTURE IN THIS COUNTRY. CUTTING FUNDS FOR THESE AGENCIES THAT ACCOUNT FOR ONLY .027 PERCENT OF THE ENTIRE BUDGET, WHILE INCREASING THE MILITARY BUDGET, IS CERTAINLY AN UNFORTUNATE SITUATION.

I FIRMLY BELIEVE THAT WE AS LEGISLATORS HAVE TO ASK OURSELVES: CAN WE JUSTIFY THE IMPACT THESE CUTS WILL HAVE IN OUR DISTRICTS? CAN WE AFFORD TO LOSE THE PROGRAMS THAT FOSTER THE ARTS AND HUMANITIES, MUSUEMS, AQUARIUMS, ZOO'S, AND BOTANICAL GARDENS? CAN WE AFFORD TO LOOSE OUR HISTORICAL PROPERTIES AND PROGRAMS THAT PRESERVE OUR GREAT WORKS OF ART?

PROGRAMS UNDER THE JURISDICTION OF THE NEA, NEH, AND IMS PROVIDE THE MOST DIRECT RETURN TO AMERICANS OF ALL ETHNIC, SOCIAL, ECONOMIC AND EDUCATIONAL LEVELS. THE BENEFITS OF THESE PROGRAMS ARE REALIZED IN RURAL AS WELL AS URBAN AMERICA AND BY THE OLD AS WELL AS THE YOUNG. THE FOSTERING OF THE ARTS IN OUR SOCIETY IS NOT JUST AN AESTHETIC ISSUE, BUT AN EXTREMELY IMPORTANT SOCIAL AND HUMANISTIC ISSUE. IDEALLY, ALL SEGMENTS OF OUR SOCIETY SHOULD HAVE THE OPPORTUNITY TO TAKE PART IN THE

EXPERIENCE OF ARTISTIC EXPRESSION AND CREATIVITY. THE PROGRAMS PERPETUATED BY THESE CULTURAL AGENCIES HELP TO MAKE THIS A REALITY FOR MANY PEOPLE. THE ARTS AND HUMANITIES SHOULD NEVER BE CONCEIVED, CONTROLLED, OR EXPERIENCED BY ONLY ONE CLASS OF PEOPLE. THESE AGENCIES HAVE HELPED TO MAKE PARTICIPATION IN THE CULTURAL COMMUNITY MORE EQUITABLE AND FEASABLE FOR ALL SEGMENTS OF OUR SOCIETY.

THERE IS A MYTH HELD BY MANY PERSONS, INCLUDING SEVERAL OF MY DISTINGUISHED COLLEAGUES, THAT THE PRESERVATION OF OUR CULTURE AND THE ARTS ARE IMPRACTICAL AND BEYOND THE NECESSITY OF OUR DAILY LIVES. AMERICAN ARTISTS HAVE SERVED AS SOME OF OUR MOST IMPORTANT AMBASSADORS TO THE ENTIRE WORLD. HISTORICALLY THROUGH THEIR WORK, ARTISTS HAVE BROUGHT DIVERSE CULTURES TOGETHER. THE SHARED EXPERIENCE OF ARTISTIC EXPRESSION AND AESTHETICS CREATES THE ELEMENTS THAT ENRICH THE SOUL AND APPEAL TO OUR HIGHER INSTINCTS AS HUMAN BEINGS. AMERICAN LITERATURE, MUSIC, PERFORMING AND VISUAL ARTS, AND ARCHITECTURE ARE EMULATED ALL OVER THE WORLD AND ARE EMBRACED BY THOSE COUNTRIES WHERE OUR POLITICS HAVE FAILED.

HOW CAN WE CONSCIENTIOUSLY NEGATE PROGRAMS THAT HAVE HELPED TO DEVELOP OUR PEOPLE'S CREATIVE RESOURCES-- RESOURCES THAT CONTRIBUTE NOT ONLY TO OUR COUNTRY BUT TO THE WHOLE WORLD. THE SPIRIT OF OUR PEOPLE IS NURTURED BY THE VERY AGENCIES THAT THIS ADMINISTRATION'S BUDGET WILL CRIPPLE AND POSSIBLY ELIMINATE COMPLETELY.

TRADITIONALLY THE ARTS AND HUMANITIES HAVE LONG SERVED AS A GREAT STABILIZING FORCE IN SOCIETY. THEY HAVE SERVED THE FUNCTION OF RELATING AN INDIVIDUAL TO THE BELIEFS AND THE VALUES OF HIS COMMUNITY. THE ART AND HUMANITIES HAVE ACTED TO INTERPRET THE RELATIONSHIP BETWEEN OUR PAST, OUR PRESENT AND OUR FUTURE. TODAY WE ARE COMPETING IN SUCH AN INDUSTRIALIZED AND TECHNOLOGICAL SOCIETY THAT WE HAVE CONCENTRATED ALL OUR EFFORTS ON DEVELOPING THE SCIENCE OF THE MIND RATHER THAN THE CREATIONS OF THE HEART.

IF WE CAN SPEND BILLIONS ON THE INSTRUMENTS OF DESTRUCTION, CAN'T WE AFFORD TO SPEND MILLIONS ON THE INSTRUMENTS OF CREATION AND BEAUTY-- ON THE THINGS THAT NURTURE THE HUMAN SPIRIT, THE SOUL OF MAN-- ON THE THINGS THAT STRENGTHEN OUR VISION AND NATIONAL CHARACTER BOTH CULTURALLY AND PHILOSOPHICALLY.

IN ENACTING APPROPRIATIONS LEGISLATION FOR EVERY FISCAL YEAR SINCE 1982, THE HOUSE OF REPRESENTATIVES HAS CONSISTENTLY REJECTED THE REAGAN ADMINISTRATION'S PROPOSALS TO MAKE LARGE REDUCTIONS IN THE ARTS AND HUMANITIES AND PRESERVATION PROGRAMS. THE MAJORITY OF THE AMERICAN PUBLIC SUPPORTS INCREASED FUNDING FOR THE ARTS AND HUMANITIES.

I SINCERELY HOPE THAT MY COLLEAGUES ON BOTH SIDES OF THE AISLE WILL CONTINUE TO SHOW GOOD JUDGEMENT IN REJECTING THESE TYPES OF CUTS AS A SHALLOW PANACEA (TO A CONDITION MADE ACUTE BY THIS ADMINISTRATION). WE CANNOT AFFORD TO MAKE CUTS IN PROGRAMS THAT ARE QUALITY OF LIFE ISSUES.

WE AS CONCERNED LEGISLATORS AND AMERICANS SHOULD CONTINUE TO REJECT THIS ATTEMPT BY THE REAGAN ADMINISTRATION TO CUT THE BUDGET IN THE AREA OF THE ARTS AND HUMANITIES FOR NOW, AND FOR THE FUTURE WELFARE OF MANKIND.

STATEMENT OF
HON. MICKEY EDWARDS OF OKLAHOMA
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
APRIL 17, 1986

I appreciate the opportunity to testify before this subcommittee. I am here today to address a portion of the Department of Energy's Fossil Energy Research and Development budget, specifically those programs related to petroleum and unconventional gas research.

As I am sure all of you know, the dramatic drop in world oil prices is causing a rapid decline in U.S. exploration and production. That decline is creating major economic dislocations in the nation's oil-producing states such as Texas, Oklahoma, and Louisiana, forcing the loss of billions of dollars from state tax bases, and worsening our trade deficit as we buy greater amounts of crude oil from foreign sources.

If oil prices remain within the $12-15 per barrel range over the next few years, the United States will permanently lose a substantial portion of low-volume, high-cost stripper wells that do not make money at around $15 per barrel or less. In short, America is going out of the oil business. That doesn't have to happen, though. For every barrel of oil we produce or can hope to produce using available technology, there are another two locked into known U.S. reservoirs. That amounts to more than 300 billion barrels of reserves which currently cannot be reached.

Enhanced Oil Recovery technologies offer the only chance of making residual oil trapped or bypassed by conventional techniques economically recoverable. If we were able to increase our recovery efficiency by just a few percentage points, we could double our currently proved reserves. Unfortunately, I believe the petroleum research industry is headed for a technology crisis, unless there is a renewed awareness that the federal government has a crucial role in assisting in the development of EOR and other extraction technologies.

Low oil prices and capital spending shifts within the oil industry, as well as the federal government's understandable efforts to curb overall spending, are threatening to cripple a decade's worth of EOR research and development. The focus today is on short-term pay-out -- companies are seeking lower-risk investments and the government is shying away from research which does not seem to produce immediate rewards. If that emphasis continues, I believe we could start to see a serious shortfall of scientific knowledge and skilled personnel in EOR technology. That "brain drain" could then worsen America's dependence on foreign oil, and erode our historical edge over other countries in sophisticated extraction processes.

As companies look for more secure returns on their investment, they are shifting emphasis from basic research, such as EOR, to applied research, which is often geared toward solving very specific oilfield problems. More exotic processes are thus not likely to become commercial until perhaps the end of the century now that oil prices have slumped.

As a result of reduced prices, oil firms already undergoing major restructuring in the wake of low oil prices and industry mergers and acquistions now have less incentive to undertake higher-cost, longer-term research. Cuts in EOR staff and budgets mean that the oil industry as a whole may lose some of its best EOR research scientists.

DOE's FY 87 budget fails to take into account these new economic realities in the energy industry. It is cutting funding precisely at a time when it should be recognizing that petroleum and unconventional gas research is clearly in the national interest and should not be abandoned. More specifically, the budget for enhanced oil recovery has been narrowed to cover almost nothing beyond the contractual commitment with the National Institute for Petroleum and Energy Research. It effectively eliminates all university and national laboratory R&D, and breaks a commitment to the oil-producing states to help assist in analyzing state incentives for EOR application. In this context, I would urge the subcommittee to support a higher level of petroleum and gas R&D funding. The Committee on Science and Technology has recommended a $50 million increase over the administration's FY 87 request for petroleum and gas research. I believe that amount best reflects the proper mix of overall fossil energy research expenditures and the minimum requirement for a viable EOR program.

I would like to talk briefly about one operation -- the National Institute for Petroleum and Energy Research (NIPER) at Bartlesville, Oklahoma. Although its name has changed over the years, the work done at NIPER has one basic thrust -- solving technical problems. From 1918 to the present, the Bartlesville laboratory's scientists and engineers have worked closely with the oil industry and the government to find new and better ways of producing, processing, and using petroleum and alternate liquid fuels.

Throughout its history, the laboratory has contributed vital research and practical knowledge to the development of modern petroleum technology. Today, as an energy research laboratory operated by IIT Research Institute, NIPER is actively involved in developing the most sophisticated technologies to meet ever-changing energy needs. NIPER currently brings together 250 scientists, engineers, and supporting staff.

Under its cooperative agreement, NIPER is obligated to conduct a federally-funded base program of fossil energy research amounting to $5 million per year. The agreement, due to expire September 30, 1988, also calls for a cost-shared research program of up to an additional $5 million per year. A third program of research, Work for Others, allows NIPER to solicit support from the private sector and other government agencies.

NIPER has shown great progress toward becoming a viable energy research entity -- even in the face of today's depressed oil industry economy. In addition to the development of DOE's fossil energy research programs, NIPER has made dilligent efforts to market energy research to the oil industry, other federal agencies, and state and local government organizations. To date, NIPER has marketed more than $7.6 million of research over and above funding derived from the cooperative agreement. New employees have been recruited for additional expertise, expanding the staff from 170 to its present 250.

The administration's FY 87 budget proposes the "privatization" of the Bartlesville facilities. I believe this decision is very premature. Since NIPER is operating under a contract not due to expire for at least two more years, there would be no cost savings with this approach. Further, NIPER, largely due to dramatic changes in the energy market, is not yet self-supporting, nor does there seem to be any possibility that it will be by the end of its cooperative agreement, and so the proposal runs the risk of losing the facility completely -- and 250 jobs along with it. That kind of impact would be devastating both to our long-term energy picture and the short-term economic scene in Bartlesville.

I would therefore urge the subcommittee to consider opposing the government's privatization decision for NIPER until the facility has clearly shown that it can independently sustain itself. Until that time, I would also recommend that this subcommittee direct the Department of Energy to begin negotiations with IITRI/NIPER to develop a plan for the continuation of activities at NIPER in the most effective manner, including modifications of the current cooperative agreement and its extension for a minimum term of no less than five years and at the same level of base program funding allowed under the present agreement. This would constitute an arrangement similar to those concluded with the Western Research Institute and the University of North Dakota Energy Research Center. The terms of the existing cooperative agreement permit its extension by mutual agreement between DOE and IITRI/NIPER, and by exercising this option we can allow additional time, in light of today's uncertain petroleum markets, for NIPER actually to become a private facility -- without the risk of losing it altogether.

Ownership and maintenace of the facilities at Bartlesville should remain with DOE, until economic conditions within the oil industry improve to a point where NIPER can be assured of being privately run.

Another aspect of the FY 87 budget is that it virtually eliminates all "oil patch" mid-continent and western research presence, despite prior commitments to the Congress. The budget reduces communications with key states and operators, reduces federal technical expertise and insight into oil production policy issues, and "consolidates" research management in an eastern location dominated by coal priorities. I believe a reasonable response would be to mandate the continuation of the personnel floor of 15 managers at the Bartlesville Project Office, with clear instructions to serve the needs of the oil-producing states and their operators during this time of serious economic hardship.

Finally, like EOR, research in unconventional gas, tar sands, and shale is badly underfunded. The subcommittee may find it prudent to maintain unconventional gas and tar sands at their present levels, and maintain oil shale at a minimum of half its current level. Incidentally, most gas, tar sands, and shale research activities -- even though those resources lie in the mid-continent and the West -- are being managed in the East, where coal research priorities understandably dominate. Gas, shale, and tar sands also use extraction and processing techniques very similar to oil technologies. In order to make better use of these technological similarities and confirm a more stable mid-continent and western presence, the subcommittee may find it a practical solution to consolidate the management of all these operations at the Bartlesville Project Office and increase the personnel floor accordingly.

It is my belief that the FY 87 Fossil Energy R&D budget is badly out of balance and requires all of these changes in order to better reflect the importance of each respective fossil fuel. While strong research in coal must be maintained, we cannot ignore the fact that oil and gas -- which combined has been allocated only 7% of the entire federal energy research budget -- will remain the primary fuels in this country through the end of the century, and probably beyond.

Thank you again for the opportunity to testify before this subcommittee.

STATEMENT BEFORE THE
INTERIOR APPROPRIATIONS SUBCOMMITTEE
- BY
HON. MARILYN LLOYD
APRIL 17, 1986

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I AM PLEASED TO BE HERE THIS AFTERNOON TO PRESENT TESTIMONY ON THE DEPARTMENT OF ENERGY CONSERVATION AND FOSSIL R&D BUDGET REQUESTS FOR FY 1987. I WANT TO OFFER MY OVERALL SUPPORT FOR WHAT I EXPECT WILL BE THE THRUST OF YOUR RECOMMENDATIONS. TODAY I WOULD LIKE TO FOCUS ON THREE ASPECTS OF THESE BUDGETS WHICH I BELIEVE ARE OF PARTICULAR IMPORTANCE TO OUR ENERGY FUTURE.

I FIRST WANT TO EXPRESS MY DISAPPOINTMENT OVER THE SEVERE BUDGET REDUCTIONS IN THE CONSERVATION PROGRAM WHICH WAS SUBMITTED TO CONGRESS BY THE ADMINISTRATION. THESE REDUCTIONS WHICH AMOUNT TO A 55% CUT FROM FY 1986 LEVELS, ARE JUST THE MOST RECENT STEP IN WHAT HAS

AMOUNTED TO AN OVERALL DRASTIC AND CONTINUAL DECLINE IN CIVILIAN ENERGY R&D BUDGETS SINCE 1982.

OUR CONSERVATION PROGRAM HAS PAID OFF HANDSOMELY, IN FACT, BETTER THAN MOST OF US COULD HAVE ANTICIPATED. THIS WAS ONE AREA WHERE THE GOVERNMENT SPONSORSHIP OF RESEARCH AND DEVELOPMENT AND THE ATTENDANT CONSUMER EDUCATION CAMPAIGN REGARDING THE POTENTIAL SAVINGS THRU CONSERVATION PRACTICES PROVIDED US WITH BIG PAYOFFS.

OVER THE YEARS I HAVE HAD THE OPPORTUNITY TO BECOME FAMILIAR WITH CONSERVATION R&D PROGRAMS, PARTICULARLY AT THE OAK RIDGE NATIONAL LABORATORY. OAK RIDGE AND OTHER NATIONAL LABORATORIES HAVE BEEN PROMINENT IN CONSERVATION RESEARCH SINCE THE EARLY SEVENTIES. SOME OF THE HIGHLIGHTS OF THE OAK RIDGE PROGRAMS ARE:

- THE ATHENS, TENNESSEE, ELECTRIC POWER DISTRIBUTION AUTOMATION AND CONTROL EXPERIMENT CONDUCTED IN COLLABORATION WITH THE ATHENS UTILITY AND EPRI. THIS PROJECT IS PROVIDING DATA ON THE COST AND EFFECTIVENESS OF INTEGRATED AUTOMATED MONITORING AND CONTROL OF THE ELECTRICAL POWER DISTRIBUTION SYSTEM AT ALL LEVELS FROM THE SUBSTATION TO THE HOME. SUCH AUTOMATION SHOULD REDUCE CONSUMER

COSTS AND PEAK LOADS AND INCREASE SERVICE RELIABILITY.

- THE DEVELOPMENT OF NICKEL ALUMINIDE ALLOYS DISPLAYING HIGH STRENGTH AND DUCTABILITY AT HIGH TEMPERATURE IS EXPECTED TO IMPROVE THE EFFICIENCY OF AUTOMOBILE AND TRUCK ENGINES AND INDUSTRIAL EQUIPMENT.

THESE ARE JUST TWO EXAMPLES OF SUCCESSFUL PROGRAMS WHICH HAVE BEEN MANAGED BY THE OAK RIDGE NATIONAL LABORATORY BUT ARE IN GREAT JEOPARDY AT THE ADMINISTRATION'S PROPOSED FUNDING LEVELS.

NEXT, I WOULD LIKE TO DISCUSS THE EXCITING PROSPECTS FOR RESEARCH TO BE DONE BY THE DEPARTMENT OF ENERGY IN THE AREA OF ADVANCED MATERIALS RESEARCH IN THE HIGH TEMPERATURE MATERIALS LABORATORY (HTML) AT OAK RIDGE NATIONAL LABORATORY. THE HTML WILL PROVIDE A UNIQUE CAPABILITY FOR CONDUCTING THIS CHALLENGING RESEARCH THROUGH THE AVAILABILITY OF A BROAD MULTIDISCIPLINARY PROFESSIONAL STAFF. IT PROVIDES A COMMON FOCAL POINT FOR INDUSTRIAL/UNIVERSITY/GOVERNMENT PARTICIPATION WHILE PROVIDING ACCESS TO HIGH-COST RESEARCH EQUIPMENT WHICH WOULD OTHERWISE BE DENIED TO MANY RESEARCHERS.

THIS PROJECT IS IN THE FINAL STAGES OF CONSTRUCTION AND WE EXPECT THAT IT WILL BE OPERATIONAL BY FEBRUARY 1987. ORNL HAS ALREADY SPENT APPROXIMATELY $19.6 MILLION AND AN ADDITIONAL $1 MILLION WHICH WAS NOT REQUESTED NEEDS TO BE APPROPRIATED THIS YEAR TO ALLOW COMPLETION OF THE PROJECT. OUR SCIENCE AND TECHNOLOGY SUBCOMMITTEE WHICH HAS AUTHORIZED THE HTML IS RECOMMENDING THAT THE PROJECT BE CARRIED WITHIN THE OFFICE OF CONSERVATION AND RENEWABLES (WHERE IT CURRENTLY RESIDES) FOR ONE MORE YEAR, RATHER THAN BE TRANSFERRED TO THE OFFICE OF ENERGY RESEARCH (OER) AS THE DEPARTMENT HAS REQUESTED. I ENDORSE THE SUBCOMMITTEE'S ACTIONS AND HOPE THAT YOU WILL AGREE WITH THE WISDOM OF THIS OPERATING MANAGEMENT DECISION PARTICULARLY SINCE OER HAS NOT BUDGETED FOR HTML THROUGH AN OVERSIGHT. I APPRECIATE THE CONCERN AND ASSISTANCE YOU HAVE PROVIDED IN THE PAST AND I WANT TO COMMEND YOU FOR ENSURING THAT THIS WORTHY PROJECT HAS HAD SUCH STRONG SUPPORT.

THE FINAL PORTION OF MY TESTIMONY CONCERNS ORNL ACTIVITIES WITHIN THE FOSSIL RESEARCH AND DEVELOPMENT BUDGET.

OUR SCIENCE AND TECHNOLOGY SUBCOMMITTEE ON ENERGY DEVELOPMENT AND APPLICATIONS, WHICH AUTHORIZES THE DOE PORTION OF THE FOSSIL ENERGY R&D BUDGET, INCREASED THE ADMINISTRATION REQUEST BY $1.2 MILLION FOR

MATERIALS AND COMPONENTS.

MR. CHAIRMAN, ORNL HAS AN ACTIVE RESEARCH PROGRAM IN MATERIALS RESEARCH. THEIR SUPPORTING PROGRAMS IN COAL LIQUEFACTION AND SURFACE COAL GASSIFICATION WERE DRASTICALLY REDUCED IN THE FY 1987 ADMINISTRATION REQUEST. THEIR WORK IN MATERIALS AND COMPONENTS ALSO SUFFERED A REDUCTION IN EXCESS OF $1 MILLION IN THE REQUESTED BUDGET BUT REMAINS A VITAL ELEMENT OF THE ARTD PROGRAM.

I WOULD HOPE THAT ORNL COULD RECEIVE A SIGNIFICANT FRACTION OF THE $1.2 MILLION INCREASE RECOMMENDED BY THE EDA SUBCOMMITTEE FOR THE FOLLOWING REASONS.

THESE ADDITIONAL FUNDS FOR MATERIALS RESEARCH WILL PROVIDE SIGNIFICANT TECHNOLOGICAL AND ECONOMIC BENEFITS TO CLEAN COAL TECHNOLOGY SYSTEMS FOR WHICH THIS SUBCOMMITTEE HAS PROVIDED LEADERSHIP IN THE HOUSE. AS AN AUTHOR OF ONE OF THE PRINCIPAL CLEAN COAL TECHNOLOGY BILLS, I AM MOST PLEASED ABOUT THE CREATION OF THE $750 MILLION APPROPRIATIONS RESERVE. CERTANLY, RECENT DEVELOPMENTS ON ACID RAIN LEGISLATION SHOULD FURTHER ACCELERATE THE DEMONSTRATION OF ALTERNATIVES TO WET SCRUBBERS ON COAL PLANTS.

MATERIALS RESEARCH AREAS FOR WHICH ADDITIONAL FUNDS WILL BE USED AT ORNL (AND AT SUPPORT LABORATORIES) INCLUDE IRON AND NICKEL ALUMINIDES, HIGH TEMPERATURE STRUCTURAL ALLOYS AND STRUCTURAL CERAMIC COMPOSITES. THE IRON AND NICKEL ALUMINIDES OFFERS THE PROMISE OF STURDY AND CORROSION RESISTANT MATERIALS APPLICABLE TO MANY COAL-FIRED SYSTEMS. THE HIGH TEMPERATURE STRUCTURAL ALLOYS BEING DEVELOPED WILL AID THE DEVELOPMENT OF HIGH EFFICIENCY STEAM CYCLE SYSTEMS USING CLEAN BURNING COAL TECHNOLOGY. STRUCTURAL CERAMIC COMPOSITES WILL PROVIDE VERY HIGH TERMPERATURE MATERIALS FOR CLEANUP OF, AND HEAT RECOVERY FROM, HOT COAL-GAS STREAMS.

MR. CHAIRMAN, THAT CONCLUDES MY REMARKS ON THE FY 1987 DOE BUDGET REQUEST. THANK YOU FOR YOUR CONSIDERATION AND THE SUBCOMMITTEE'S PAST SUPPORT.

STATEMENT OF CONGRESSMAN JOHN LAFALCE
ON THE
"IMPORTANCE OF ADVANCED CERAMICS"
BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE
APRIL 17, 1986

Mr. Chairman and Members of the Committee, I appreciate this opportunity to urge you to increase the budgetary appropriations for Advanced Ceramic Research and Development activities for fiscal year 1987 above the insufficient levels included in the Administration's budget submittal to at least the level appropriated for fiscal year 1986. Advanced ceramics represents the types of new technology which we must develop if we are to enhance the competitiveness of U.S. industry, and therefore offers great benefits not just to our Nation but to my own district in Western New York as well.

High-performance ceramics provide superior corrosion and wear resistance, excellent thermal properties, and have the potential to make advanced gas turbine automobile engines a reality.

The Japanese, our principal international trading rival, already realize the potential of advanced ceramics and recently announced a research program in excess of $100 million over the next eight years to develop ceramic components for an automobile gas turbine engine. Allowing the Japanese to obtain a competitive advantage in this promising new technology would be a grave mistake. As a recent survey of automotive engineers in the United States reported, advanced ceramic materials are one of the most important materials for the development of new automobile engines in the 1990's, and thus a critical component in determining the future state of U.S. competitiveness.

The use of ceramic-based engines could also significantly affect fuel efficiency and U.S. energy dependence. If the U.S. were to gain a technological and production advantage in ceramic-based engines, domestic automakers would have a competitive advantage in the world motor vehicles market. Moreover, U.S. automobile imports would be reduced, and U.S. exports would increase. Even a relatively small percentage improvement in the U.S. balance of trade in motor vehicles would have a large dollar impact on U.S. motor vehicle production and employment.

A recent study by Argonne National Laboratory cited the macro-economic effects of U.S. or Japanese dominance in structural ceramic technology for heat engines. Under the U.S. dominance scenario, in the year 2000, U.S. real Gross National Product (1981 $) was $34.7 billion greater than the Japanese dominant scenario and employment was higher by 245,000 jobs.

In my District in New York State, Standard Oil Engineered Materials Company recently spent $5 million for a new manufacturing facility for advanced ceramics to complement its existing ceramics research and development facility built in 1978. This complex is one of the most modern in the world and employs over

200 people who strive to further develop and commercialize advanced ceramic materials.

The Advanced Gas Turbine Program and the Ceramic Technology Program are essential to create the advances in technology that are necessary to make the opportunities for high performance applications of advanced ceramics, such as heat engines, a reality. Moreover, these programs represent the type of government-business partnerships which must be forged if we are to achieve the technological breakthroughs required to improve U.S. competitiveness. They do not, however, represent indiscriminate government subsidies, as the private sector invests approximately $3 for every $1 of government money.

These governmental programs are at a critical stage of development and curtailment of committed dollars at this time would endanger the ability of the United States to remain a leader with the Japanese and Europeans in the advanced ceramics arena.

I, therefore, urge my distinguished colleagues on this Committee to give advanced ceramic programs, specifically the Advanced Gas Turbine Program and the Ceramic Technology Program, their most favorable consideration for Fiscal Year 1987 funding.

I strongly encourage Federal Government advanced ceramics R&D at FY86 or expanded levels. To do less, could severely jeopardize the "proof-of-concept" of advanced ceramic materials in several critical applications and, thereby, delay commercialization of vitally needed advanced ceramic materials.

WITNESSES

Page
Adams, Carolyn
Akaka, Hon. D.K 46, 71
Alexander, Hon. Bill 464
Anthony, Hon. Beryl, Jr 411
Atkins, Hon. C. G 714
Ayers, G. E 397
Bacon, B. S 159, 195
Badham, Hon. R. E 55, 78
Barnard, Hon. Doug, Jr 427
Barton, Hon. Joe 646
Beilenson, Hon. A. C 595
Bennet, D. J 363
Berman, Hon. H. L 204
Block, E. M 619
Bode, Mr 46, 61
Boggs, Hon. Lindy 121
Bonker, Hon. Don 641
Boxer, Hon. Barbara 697
Breaux, Hon. J. B 551, 579
Brown, Carol 301
Bryan, Charles 132, 145
Burton, Hon. Sala 132, 153
Byron, Hon. B. B 383
Cassidy, Frederic 418
Clinton, Bill 159, 186
Cooke, E. D 417
Crabb, Juanita 211
Dannemeyer, Hon. W. E 53, 78
Dewitt, J. B 678
Downey, Hon. T. J 476
Eckart, Hon. D. E 720
Edwards, Hon. Don 625
Edwards, Hon. Mickey 635
Fannon, P. M 824
Fascell, Hon. D. B 106
Fiedler, Hon. Bobbi 735
Follows, Megan 712
Franklin, Dr. Phyllis 46
Fuqua, Hon. Don 159
Fuster, Hon. J. B 515
Green, Hon. Bill 802
Gurian, E. H 706
Hart, K. C 1, 34
.... 54

Page
Heatherly, W. R 756
Hodel, D. P 494
Hollander, Lorin 46
Hoyer, Hon. S. H 757
Jeffords, Hon. J. M 729
Johnson, Hon. N. L 629
Jones, Hon. W. B 762
Kohn, Joanne 54, 94
Kostmayer, Hon. P. H 710
Krainik, Ardis 54, 94
LaFalce, Hon. John 837
Lagomarsino, Hon. R. J 372
Lantos, Hon. Tom 652
Leach, Hon. Jim 719
Lehman, Hon. R. H 469
Levine, Hon. Mel 551
Lewis, Hon. Jerry 708
Lightfoot, Hon. Jim 450
Lincoln, Crawford 1, 24
Lloyd, Hon. Marilyn 831
Lowery, Hon. Bill 404
Lungren, Hon. Dan 678, 691
Macomber, W. B 1, 14
McCurdy, Hon. Dave 612
McEwen, Hon. Bob 732
Miller, Hillis 159
Morrison, Hon. Sid 503
Myers, Sondra 123
Neilson, Hon. H. C 661
Nelson, Hon. Bill 655
Newman, Michael 46
Nichols, Hon. Bill 754
Nicholson, T. D 201
Oakar, Hon. M. R 820
Oberstar, Hon. J. L 436
Olin, Hon. Jim 358
Ortiz, Hon. S. P 433
Panetta, Hon. L. E 551, 561
Parker, H. S., III 54, 94
Porter, Hon. J. E 717
Rahall, Hon. N. J., II 248
Ray, Hon. Richard 478
Richardson, Hon. Bill 584
Roberts, Thomas 123
Robinson-Anderson, C. V 119
Rogers, Hon. Hal 668
Schneider, Hon. Claudine 531
Seiberling, Hon. J. F 217
Simons, Lynn 132
Squerciati, Marie 114
Stark, Hon. F. H. (Pete) 707
Studds, Hon. G. E 487
Sykes, L. R 244

	Page
Synar, Hon. Mike	613
Taylor, Merrily	159, 172
Thomas, Hon. Lindsay	600
Udall, Hon. M. K	274
Van Wagenen, Sterling	41
Vento, Hon. B. F	293
Visclosky, Hon. P. J	590
Walgren, Hon. Doug	531
Wallace, G. C	755
Watkins, Hon. Wes	606
Weaver, Hon. James	263
Weil, Suzanne	114
Weiss, Hon. Ted	455
Whitley, Hon. C. O	502, 510
Wingate, W. P	55, 78
Wolff, E. S	55, 78
Young, Hon. Don	740

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